# FINANCIAL TIMES

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## NEWS SUMMARY

### GENERAL

## Iceland agrees Cod war formula

Communist members of the ...andic Cabinet climbed down ...erday and accepted the Cod ... settlement worked out ... Olafur Johanneson, Iceland's ...e Minister and Mr. Heath. ...arlier, the Communists had ...atened to split the seven-man ...net by opposing the agree...t unless it was linked with ... possible expulsion of U.S. ...es from the Keflavik airbase. ...eturn, Mr. Johanneson had ... he would resign unless ...e was unanimity.

...e agreement, after more ... 14 months of ramming ...ients and friction between ...sh trawlers and Icelandic ...oats, has laid down specific ...ng areas and permitted ...ls of catches. Page 23

### ...anes call ...ection

... Anker Joergensen, the ...ish Prime Minister, yesterday ...d Queen Margrethe to ...olve Parliament and call a ...eral election for December 4. ... move followed the govern...t's failure to obtain a ...ority on a Bill to change the ... income tax scales.

...r. Joergensen said later that ... election would not interfere ... the EEC summit meeting ...Copenhagen on December 14 ... 15. Back Page

### ...ong wait for ...erwick result

...ling in yesterday's four by...tions at Berwick, Hove, ...nburgh North and Govan, ...sed last night with the results ...tical for the morale of the ...ee main parties. Results in ...ce of the constituencies were ...ng declared over-night, but in ...wick, a largely rural area, it ... be lunch-time before all the ...es have been counted.

### ...ose watch on ...ash marriages'

...riages of convenience to pro... women with British citizen... are to be closely watched by ... Government, Mr. David Lane, ...ler-Secretary, Home Office, ... yesterday. He agreed that ...ertisements offering such ...riages at £500 were ...noxious," but added that at ...moment there was no reason ...elieve that the practice was ...e than infinitesimal.

### ...outs slip-up ... £5 cheque

...its-motto "Be Prepared"— ... missed an opportunity to ...e some money. They received ... cheque from Mr. Paul Getty ... paid it into their bank. ...ques with Mr. Getty's signa... are worth more than their ... value to collectors. From ...ues to banknotes, and two ...0 ones dating from the ...s come up for auction at ...ley Gibbons on December 12. ... are expected to fetch about ...00.

### ... adversity

...ral Idi Amin of Uganda has ... a telegram to President ...n praising him for his ...rageous stand" in the ...rgate affair. "Any other ... leader would have resigned ...ven committed suicide," the ...ram added.

### ...iefly ...

...y-based National House...' Association, claiming ...bers throughout England ... Belfast, will announce its ... boycott of a "too expensive" ... next Tuesday.

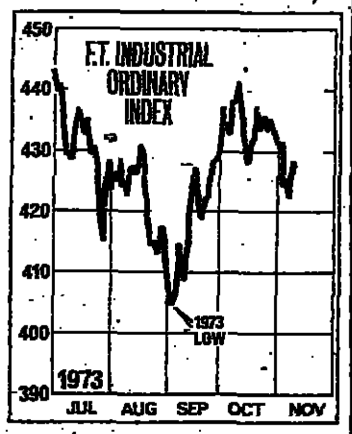
...borough engineering com... which offered an expenses... holiday in Majorca to ...ct labour, received 300 ...cations. Seven people have ... offered jobs.

...ncial Times contributor on ...ening, Mr. Robin Lane Fox, ... been awarded the Duff ...er Memorial Prize for his ...aphy of Alexander the ... which is being published ...onday. Page 14

### BUSINESS

## Equities up 5.9; Wall St. jumps

● EQUITIES took a turn for the better, spurred by the Middle East peace moves and helped by the excellent interim figures from Beecham. The FT 30-share index closed 5.9 up at 428.8. Oils, understandably, picked up and the FT-Actuarial index for the subsection rose 3.3 per cent. to 274.74.



● GILTS scored widespread gains to ½ which were reflected in the improvement in the 20-year Government Stocks Index from 62.12 to 62.41.

● Gold put on 75 cents to $98 an ounce.

● STERLING and the dollar made further gains against other major currencies, with the pound's trade-weighted depreciation from Smithsonian parities narrowing to 17.30 per cent. (17.38) while the sterling-dollar rate fell to $2.4187 ($2.4235). From Tokyo, the Japanese central bank is reported to have sold $100m.

● WALL STREET closed 12.57 up at 932.65

● WORLD SHORTAGES of copper and zinc resulted yesterday in the metals being sold at record prices in London. Back Page

● DIRECTORS of Pergamon Press are hoping to persuade the U.S. Leasco group and Mr. Robert Maxwell, the former chairman, not to use their votes at the forthcoming shareholders meeting called to decide if Mr. Maxwell should be re-elected to the Board. Back Page

● NATIONAL Union of Teachers is claiming a 25 per cent. pay increase—costing an estimated £250m. a year—for 420,000 teachers in England and Wales. Page 23

● STAGE THREE increases of more than £3 a week for 80,000 municipal busmen are likely to be ratified by employers and unions next month. Page 23

● OXLEY PRINTING emerged last night as the buyer of C. Tinling, the Liverpool printing company which Mr. Robert Maxwell, former Pergamon Press chairman, had hoped to take over following its formal liquidation. Page 23

● BRITISH ALUMINIUM has Price Commission approval to raise the price of primary aluminium ingots by 7.24 per cent.

● EXTENSIVE CHANGES in the top management of the British Steel Corporation were announced. Page 23

● NET INCOME of the Royal Dutch/Shell group advanced from the very depressed figure of £45.1m. to £166.8m. in the third quarter. Oil demand, the directors report, was considerably up on the corresponding period of 1972. Page 25 and Lex

● BEECHAM GROUP pre-tax profits expanded by £5¼m. to £24.98m. in the half year to September 30. Page 25 and Lex

### ...EF PRICE CHANGES

(...es in pence unless otherwise indicated)

| RISES | | |
|---|---|---|
| ...ury 6½% 1977 ... | £88¼ | + ⅛ |
| ...ury 9¼% 1999 ... | £86⅞ | + ⅜ |
| ... (Securities) ... | 120 | + 31½ |
| ...-Swiss ... | 80 | + 6 |
| ...am ... | 296 | + 9 |
| ... | 256 | + 11 |
| ...sham ... | 170 | + 7 |
| ...ty Radio ... | 117 | + 9 |
| ... Lovell ... | 80 | + 5 |
| ... | 150 | + 4 |
| ... Wharf ... | 423 | + 13 |
| ... Shanghai Bank | 352 | + 17 |
| ...on Gibbons ... | 80 | + 15 |
| ... O'seas Freights | 93 | + 3 |
| ... Box ... | 271 | + 13 |
| ...pole Inds. ... | 77 | + 5 |
| ...tti & Zambra ... | 96 | + 5 |
| ... O. Defd. ... | 338 | + 9 |
| Philips Lamp ... | 780 | + 50 |
| Stothert & Pitt ... | 179 | + 8 |
| Supra Chems. ... | 64 | + 7 |
| Town & Commercial | 139 | + 13 |
| Unilever ... | 351 | + 14 |
| West. & Country Prp. | 128 | + 7 |
| Yarrow ... | 132 | + 8 |
| BP ... | 558 | + 16 |
| Shell Transport ... | 236 | + 10 |
| Chubwa ... | 60 | + 20 |
| CAST ... | 90 | + 4 |
| De Beers Defd. ... | 329 | + 10 |
| Hampton Areas ... | 184 | + 8 |
| Lonrho ... | 94 | + 3 |
| FALLS | | |
| Finlay (J.) ... | 435 | − 13 |
| House of Fraser ... | 136 | − 7 |
| Scot. & Univ. Invs. ... | 187 | − 9 |
| Tricentrol ... | 194 | − 5 |
| Kinross ... | 216 | − 10 |
| Pot. Plat. ... | 178 | − 6 |
| Pres. Steyn ... | 800 | − 15 |
| Sungei Besi ... | 80 | − 3 |

(FT stock indices and FT-Actuaries summary Page 31.)

## KISSINGER'S FIVE-POINT PLAN

*ISRAEL last night appeared ready to accept the U.S.-backed proposals for consolidating the cease-fire with Egypt.*

*In Cairo, a senior official said that, if Israel accepted, a Middle East peace conference could start "within 15 days or so."*

*Dr. Kissinger's formula is understood to allow for a quick exchange of prisoners and a lifting of the Egyptian naval blockade of the Bab el Mandeb Straits. In return, Israel would agree to the creation of a corridor for supplying the encircled Third Army.*

*Israel was officially silent on the outcome of talks in Jerusalem with Mr. Sisco, Dr. Kissinger's assistant. But Defence Minister Dyan said: "Perhaps for the first time we are on the threhold of a true peace between Israel and the Arabs."*

*After talks with King Hussein in Amman, Dr. Kissinger last night flew to see King Feisal of Saudi Arabia.*

*Mrs. Meir, Israel's Premier, is to visit London on Sunday at Mr. Wilsons invitation for a meeting of the Socialist International. Mr. Heath is expected to ask for a meeting.*

*It was reported that Abu Dhabi, Qatar and other oil producers were implementing the full 25 per cent. production cut agreed earlier this week.*

# Israel expected to accept

BY ROBERT MAUTHNER, Tel Aviv, Nov. 8

THERE WERE strong indications here to-night that Israel had agreed to a five-point plan to safeguard the Middle East cease-fire, worked out by Dr. Henry Kissinger, the U.S. Secretary of State, and President Sadat in Cairo yesterday.

No immediate confirmation was forthcoming from the Israeli Government and U.S. sources here also remained reticent about the substance of the intensive talks which Mr. Joseph Sisco, Dr. Kissinger's deputy, has been holding with Israeli leaders since late last night. But a Government statement on the talks is expected to-morrow.

All that Mr. Sisco himself would say following four-and-a-half hours of talks with Mrs. Golda Meir, the Israeli Prime Minister, last night and another meeting with Mrs. Meir to-day after a three-hour emergency Cabinet session, was that his talks had been "useful and constructive" and that he was "optimistic."

He later flew to Riyadh, the Saudi Arabian capital, where he was due to report back on his talks in Tel Aviv to Dr. Kissinger.

The widespread reports of Israeli agreement to Dr. Kissinger's interim peace plan were based on optimistic Press statements and a number of sources in Jerusalem and Tel Aviv considered as "authoritative." It is clear, however, that in the delicate situation such reports must still be treated with some reserve, pending official confirmation by the Government.

Nevertheless, General Moshe Dayan, the Israeli Defence Minister, to-day felt emboldened to say: "We are to-day at the height of a war, with a cease-fire still to be achieved, yet, perhaps for the first time, we are on the threshhold of a true peace between Israel and the Arabs."

Oil cuts come home to America, Page 22
Middle East news, Page 8

In a veiled reference to the reasons which made the Israeli Government consent to the cease-fire resolution of October 22 and apparently accept the proposal put forward by Mr. Sisco, General Dayan said: "We have to face the truth and reality as it is. Nineteen seventy-three is totally different from 1967. The Arabs are different so are their armaments and equipment, oil, money, Russian involvement, friends and enemies from Africa to Europe are different, the world of to-day is not the world of yesterday."

According to reports, Israel has agreed to the permanent supply of food, water, medicines and clothing to the Egyptian Third Army—cut off on the East Bank of the Suez Canal—under United Nations supervision. But no military supplies would be authorised. Up to now, the supplies which have been permitted to cross the Canal have been controlled and checked entirely by the Israelis and so far no more than 175 truck loads have been cleared.

Israel is also said to have agreed to a meeting between Israeli and Egyptian military commanders "to demarcate the ceasefire lines." While this is not interpreted by observers here as a complete return by Israel to the original ceasefire lines of October 22, which the Israelis say are impossible to establish because they were never clear cut, it probably means a "tidying up" of the liner around Suez Town and Ismailia to Egypt's advantage.

In return, the Egyptians would agree to an immediate exchange of prisoners-of-war, starting with the wounded, and the lifting of the naval blockade of the Bab-el-Mandeb Straits at the entrance of the Red Sea, which has all along been an Israeli condition for the maintenance of the cease-fire.

In addition, Dr. Kissinger is said to have obtained Egyptian and Israeli agreement to the opening of early negotiations between the two sides on a permanent peace settlement under American and Soviet auspices, but no firm date has apparently yet been fixed. The venue for these negotiations widely mentioned here is either Geneva or Cyprus.

Mr. Sisco is reported to have confined his talks in Tel Aviv to the immediate issue of safeguarding the ceasefire between Israel and the Arab States, and fundamental problems of a peace settlement have been left aside for the moment.

It is clear, however, that once the heat has been taken out of the tense military confrontation of the two armies on the Sinai Desert front, the atmosphere would become much more conducive to a peace agreement which, it is hoped, will put an end to 25 years of bitter conflict in the Middle East.

The reported agreement, although it may bring no joy to Israel's military establishment, is seen here as a genuine compromise which would save the faces of both Israel and Egypt and still leave the two countries in a strong negotiating position when they finally get down to some kind of negotiations.

Egypt would remain firmly established on the east side of the Suez Canal and could thus claim that it had won an im-

Continued on back page

# Miners start overtime ban on Monday

BY JOHN WYLES, LABOUR STAFF

BRITAIN'S 260,000 miners are to mount the first major challenge to the Government's Stage Three pay policy with an overtime ban beginning on Monday morning.

The ban will pose a serious threat to coal production and is likely to be more costly than the 500,000 tons a week lost at the time of the miners' last overtime ban at the end of 1971. This is because this time safety and maintenance men will refuse overtime and week-end working.

In the short term the ban is unlikely to make the supply situation critical. The National Coal Board has more than 13m. tons of coal in stock and the Central Electricity Generating Board enough supplies to last 11 weeks at normal consumption. The British Steel Corporation has enough coal to keep normal production going for more than four weeks.

## Cabinet meets

Last night senior Ministers, *although worried about the overtime* ban's aggravating effects on the oil situation, still had no immediate plans to introduce fuel controls and rationing.

This emerged after a Cabinet meeting resumed late yesterday afternoon, when it became clar that th Government has no early intention of intervening in the dispute.

Mr. Joe Gormley, president of the National Union of Mineworkers, will to-day explain the reasons for the ban to a meeting of the TUC Fuel and Power Committee which is, coincidentally, holding discussions with the electricity Boards on fuel policies.

Afterwards Mr. Gormley will meet Board officials to discuss the final details and the ban's likely effect on coalfield operations. Leaders of the coal industry's two management and supervisory unions, the British Association of Colliery Management and the National Association of Colliery Overmen, Deputies and Shotfirers, will also be at the meeting to discuss the part to be played by their members' in maintaining safety and emergency cover during the NUM ban.

After these talks the Board is expected to give the first indication of what it thinks will be the likely effects of the ban. Board officials refused to comment last night on Mr. Gormley's personal view that if the ban is properly applied "there will be few pits working after the first week."

Mr. Gormley was speaking after the 27-man NUM executive had decided to call the ban from Monday. They were given the power by a series of branch votes, all of which showed a large majority in favour of the action.

The Coal Board's revised £44m. pay offer at the centre of the dispute was unanimously rejected by the executive. Mr. Gormley said the union was confident that the Board had "scraped as much as possible out of Stage Three," but the proposed £2.30 to £2.57 increases on miners' basic rates were not enough to solve the industry's manning problems.

At the same time as pinning responsibility for their action on the Government, miners' leaders are expected to continue talks on the Board's offer. These are likely to concentrate on a national productivity agreement, allowable under the Stage Three "efficiency clauses," whihe could give miners further 3½ per cent. increases on their basic rates.

Despite dissatisfaction with the offer on basic rates some NUM leaders are impressed by the increased holiday pay and "unsocial hours" increases of up to £6.80 a week sections of the proposed deal. At a total cost of 13 per cent. on the wage bill the offer is the second largest ever made to the miners—coming after the Wilberforce settlement at the end of the 1972 strike.

## Power front

On the other power front, hit by industrial action, the CEGB said yesterday it had managed to maintain normal peak period electricity supplies, despite the ban on standiby duties by members of the Electrical Power Engineers' Association. Mr. John Lyons, EPEA general secretary, yesterday urged the Government to step in and settle his union's pay dispute.

● Top-level negotiations on British Rail's £50m. proposals to modernise rail pay structures are to begin on November 30. The three rail unions will press for improvements on the offer at a meeting of the Railway Staff National Council, and at least one, the militant train drivers' union, the Associated Society of Locomotive Engineers and Firemen, is threatening industrial action unless a settlement is reached.

Editorial Comment Page 22

## NEPTUNE FLOATS IN TO THE CITY

The National Trust will take part in the Lord Mayor's Show this year for the first time. Its *float in the pageant will illustrate* Enterprise Neptune, the Trust's campaign to save the coast which this month tops its £2m. target.

It was conceived and organised by Peter Rice, the theatrical designer well known for his work in Covent Garden Opera House.

### £ in New York

| — | November 7 | Previous |
|---|---|---|
| Spot | $2.4215-4220 | $2.4320-4330 |
| 1 month | 0.70-0.65 dis | 0.60-0.55 dis |
| 3 months | 2.55-2.50 dis | 2.40-2.30 dis |
| 12 months | 9.65-9.55 dis | 9.70-9.60 dis |

# Build industry's future on basis of co-operation—Heath

BY LORNE BARLING

*THERE IS a need for a human face on capitalism in an age when the human element in industry is rapidly diminishing,* Mr. Edward Heath, the Prime Minister told a conference of 5,000 directors yesterday.

He said he was making proposals to give capitalism a pleasant and acceptable face, and the future of British industry should be built on a basis of co-operation, founded on mutual knowledge and understanding.

Mr. Heath, speaking at the Institute of Directors annual conference in London, said those who worked in an enterprise were entitled to expect that its managers would seek to do what would benefit the enterprise as a whole.

"They can expect what is broadly fair to all the partners in it—to its customers and consumers, as well as to themselves and to managers and shareholders. And they should be able to look to management to justify its decisions."

Mr. Heath said the word profit would not be considered a dirty word if men and women could be brought to understand what a healthy level of investment meant to their own future employment and earnings.

"I believe that British industry is only beginning the task of explaining what it is about, not just to its own employees, but to the mass audiences which now exist in this and every industrialised society."

He added: "Those who work in industry should be able to accept management decisions because they have been consulted about them, can understand the reasons for them and can feel that they have shared in making them."

Referring to the future of the industry, he said Britain was heading for an unprecedented boom period, and prospects were "more exciting and more solidly based than at any time since the Second World War."

The growth rate had risen, unemployment fallen and exports were highly competitive in world markets. The prospects of Britain getting two thirds of her oil from the North Sea would mean a dramatic saving in foreign exchange.

The main speaker of yesterday afternoon, Mr. John Connally, former U.S. Treasury Secretary, warned that his country's "internal problem," the Watergate affair, would not disappear in a matter of days or weeks.

"In moments of national well-being, a nation can indulge itself in the luxury of exaggeration and demagoguery, and little permanent harm results," he said. "But these times are too serious for that.

"These times demand that there be no actions by responsible men which do not reflect the cold logic and sound judgment based upon known facts."

He said the U.S. would survive the political trauma, but only when it was learned that the power rests with the people, who occasionally had to exert it.

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Editorial comment, Page 22

# U.S. bid for AW (Securities)

BY MARGARET REID

*CHAMPION INTERNATIONAL* Corporation of the United States is making an agreed £40m. cash offer for the A. W. (Securities) carpet group.

The Champion bid of 128p cash, (the market quotation was 88½p on Wednesday) is backed by the A.W. Board, which is undertaking to accept for the 25 per cent. of shares it controls. Last night the shares closed 31½p up at 120p.

The offer by Champion, whose Trend Mills carpet business accounts for 12½ per cent. of its $2,000m. annual sales, is subject to assurances from the Department of Trade and Industry that the deal will not be referred to the Monopolies Commission.

Mr. Tom Willer, Champion's chairman and chief executive, said he "anticipated no difficulty" on this score. Champion will argue that the link will enhance A.W.'s growth prospects, notably for its expanding overseas business.

Champion, which also has interests in building materials and paper, is aiming for a major expansion of its international role. Only 17 per cent. of the group's business is outside the U.S., mainly in the Western Hemisphere.

Mr. Willer, aged 54, who became chairman of Champion last year after a spell as Board vice-chairman of Occidental Petroleum, explained that he planned to raise the overseas share of his group's sales to 37 per cent.

He expected the combined 1973 sales of Champion's Trend Mills and A.W. to reach some $250m. (about £104m.) this year, making it one of the world's largest carpet companies.

Champion, which began talks with AW in September, has been attracted by AW's tufted printed carpet business—claimed to be Europe's largest — and its management style.

Mr. Willer said Michael Abrahams, aged 35, will remain as AW's vice-chairman and managing director, with responsibility for international carpet expansion.

Mr. Abrahams, whose family has long been associated with the Bradford-based group (formerly Associated Weavers), has presided over a dramatic improvement since he became managing director in 1967. From a loss of £443,000 on a £6m. turnover in 1966-67, AW has advanced to a profit level of £4.98m. with sales of £28m. last year.

Yesterday the group reported that profits in the year to next March were expected to increase to not less than £6.85m., and that in the six months to September it earned £2.90m. before tax, compared with £1.58m.

In a joint statement the two companies said: "It is envisaged that the merger, far from causing any redundancies, will lead to greater expansion and more employment by A.W. (Securities)."

Champion is advised by bankers N. M. Rothschild and Sons. Edward Bates is acting for A.W. (Securities).

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Men and Matters, Page 22

## ON OTHER PAGES

Letters to the Editor
BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

# Raw materials shortage · Power pay · Planning for shop

Sir,—There is one aspect of your Survey of Business Opinion on November 6 concerning the chemical industry which is not picked out for special comment. This is the very small number of chemical companies reporting a shortage of production capacity (4 per cent. of those reporting) compared with the very large number (64 per cent.) reporting a shortage of raw materials.

It is a feature of the chemical industry that the end-products of one company become the raw materials of another; indeed, four or five companies can be involved between a basic raw material and the sale of a finished product to a customer outside the industry. There can only be two reasons for the situation reported. Either there is a shortage of indigenous or imported raw materials, resulting in shortages all along the line, or the more basic chemicals derived from these raw materials are being exported to the detriment of the home demand. While the former is undoubtedly true in some cases, there is considerable evidence that the latter is happening also. It is a direct result of the artificially low prices for such basic chemicals in the U.K., resulting from the Government's price restraint, compared with the prices ruling in the rest of the world.

Companies requiring these basic chemicals are therefore attempting, not always successfully, to re-import them at these higher prices. If the Government insists on imposing a continuing price restraint on such basic chemicals, it must also place restrictions on their export.

The present situation does not help the balance of payments, as it can lead to a loss of exports of far more valuable products. As an example, an export sale to the value of £1,000 of a basic chemical could result in an export loss to the value of £20,000 of finished product.

Unless some action is taken quickly, even more than 60 per cent. of the chemical companies reporting will be "less optimistic" when you make your next survey.

D. A. W. Adams, Chairman,
*Hickson and Welch,*
*Castleford, Yorkshire*

## Poor relations in power

Sir,—This letter is written as an addendum to the excellent article (November 2) by John Elliott, explaining the background to the present dispute in the electricity supply industry.

The Electrical Power Engineers' Association (EPEA) represents two classes of engineers. The first is the operational engineers responsible for running the power stations, the construction and maintenance of the distribution systems, and the commercial development of the industry. The second class is the more senior engineers holding management posts such as power station superintendents, Area Board district managers.

Although the present dispute does not involve the management section of the EPEA, let no-one imagine (least of all the Government and the Electricity Council) that all is well. The present dispute is only the "tip of the iceberg."

For years, the Electricity Council has, in common with many other authorities, appeared to have conducted salary negotiations on the basis of first appeasing the numerically strongest and certainly the more militant industrial staff.

Under this system, the industrial staff have gained not only generous monetary awards, but extensive fringe benefits, so that they are now the elite of the industry. The poor relations are, without doubt, the management section of the EPEA, with the engineers a close second. As an example, an industrial employee now has the equivalent of almost six weeks' annual holiday, compared with only four weeks for any management officer.

The members of the EPEA are an extremely loyal and responsible body of people and, in particular, the management section. Due, no doubt, to the higher average age and, therefore, the longer links with the Industry, they abhor the thought of industrial action. But the frustration is now so intense that even management staff are asking whether loyalty really pays off when it appears to be used to exploit staff.

The need for a new managerial salary structure was recognised by the EPEA in January, 1971, who opened negotiations with the Electricity Council. Now, after waiting patiently for nearly three years, the statement has been made that "the exercise is making slow progress." No doubt, the Council is overjoyed to find they now have the Government's Pay and Prices Policy to shield them.

Any industry that treats its key staff with such Dickensian indifference is guilty of the utmost folly, and must, sooner or later, expect rebellion even from its most trusted servants. Obviously, the EPEA, is not free from criticism for the present state of affairs, but it is hoped that John Lyons will bring a new vigour to their approach.

The electricity industry plays a vital role in the growth of the economy and the improvement of the standard of living of the people. It is time for the Government and the Electricity Council to take the initiative in establishing an equitable salary structure which will remove the present anomalies and restore a proper balance between grades of staff, to give engineers and managers conditions and rewards commensurate with their responsibilities. Then, the country and the industry will again enjoy the loyalty of a very dedicated group of people.

Instead of discounting loyalty and dedication, how about giving them a premium rating!

H. C. C. Keen,
Vice-Chairman,
South Wales Managerial Section-E.P.E.A.
*Hopes Cottage,*
*Laleston, Bridgend,*
*Glam.*

## Hypermarkets and the car

Sir,—Peter Riddell in his review (November 2) of Donaldson's report on the impact of the Caerphilly hypermarket is as uncertain as most of us as to the true effects of large scale "out town" shopping on surrounding shopping areas of hypermarkets similar to the Caerphilly store. No doubt all the relevant statistics are in this report, but experience indicates that arguments are less about statistics which are usually factual, but more how they are interpreted.

The fact, as pointed out by Peter Riddell that Donaldsons acted for Hypermarket (Holdings) which has a strong vested interest in the subject must pose the question whether its interpretations and conclusions have not been influenced perhaps unconsciously, by this connection. It would have been better if the report had been prepared by an organisation completely and obviously independent of all pressure groups and other interests. But one fact is unarguable—that this hypermarket draws shoppers from a very wide area and most if not all of these are private car owners attracted by the substantial car parking provided as a standard facility.

It is this, not arguments for price reductions and alleged convenience that is the vital issue for society as a whole. Quite simply are we prepared to encourage developments which make the use of the private car mandatory? Do we really believe we can ignore the American example where complete dependence on the car has been a very significant factor in the urban crisis to be seen in American cities? The crisis which hits at the economic and social basis of town life and is fed by the flight to the suburbs and the fragmented living encouraged by the wholesale use of the car.

Our own experience in this country has already shown that dependence on the private car leads to demand for roads and car parking facilities which cannot be met. As Sir Hugh Casson once said "it's like feeding the pigeons—the more you feed them—the more that come to be fed." Any observer of the American scene will confirm that the only difference between a traffic jam in Detroit and Birmingham is that in Detroit the jam is four or six lanes wide in both directions!.

All this is not in itself an argument against hypermarkets in principle but is a very strong argument for ensuring that new shopping is provided where it can be served by public transport as well as the private car or even perhaps being near enough to shoppers to enable them to walk to their "food" shops. That might mean smaller scale local shopping developments which will be no bad thing on environmental grounds, but more importantly would remove some of the pressure for everyone to have cars and use them—a situation which would soon become quite intolerable.

What is required above all is that town planners, both at national and regional level need a positive policy which will take into account the wider long term environmental, social and economic issues which will enable hypermarket and other "out town" shopping centres to be judged on these broad vital issues, and not the narrow arguments for alleged convenience, lower prices and so called public demand.

The problems of our towns and cities are escalating and the question is not now "can it happen here?"—it is already happening. At the present rate they could be as serious here in five years as they are now in the U.S.—something I doubt whether even hypermarket operators would find acceptable.

Owen Luder,
Owen Luder Partnership.
*96, St. George's Square, S.W.1.*

## Foreign capital in Peru

Sir,—An article signed by Jane Monahan and entitled "A New Pragmatism in Peru" appeared in the October 31 edition of the Financial Times.

Although the writer of this article is quite correct in many of the statements made and conclusions reached, it is, nevertheless, in my view, based on a mistaken interpretation of the facts.

The starting point of the article is the Cerro Corporation, and I had occasion to write to you at the end of September on this subject in order to clarify that Peru had not acted in bad faith in its negotiations with that company for the simple reason that negotiations had not even begun when the Cerro Corporation announced that they had been cancelled. The Corporation attributed this to certain declarations alleged to have been made by representatives of the Peruvian Government and published in a newspaper in the United States: no such declarations, however, were in fact ever made and an official denial was issued. It was evident that this was a manoeuvre on the part of the Cerro Corporation in an attempt to bring pressure on the Peruvian Government by indirectly threatening it with international reactions which might affect its good credit.

In reality, the policies of the Peruvian Government in respect of foreign capital investments have not varied. The Government is adhering strictly to the rulings and declarations formulated throughout with the intention of attracting foreign capital, as well as to the guarantees it offers in respect of such investment and the requirement that such investment should contribute towards the development of the country. The Government also adheres to the agreements reached together with the other countries forming the Andine Pact.

Adhemar Montagne.
Peruvian Ambassador.
*52, Sloane Street, S.W.1.*

## Strategy for land

Sir,—With reference to the tax on land sales proposed in the letter of Mr. David Green (October 25) I submit, that for all its refinements, it could not but tend to reduce the supply of land that otherwise would have been forthcoming on to the market.

At the same time, because all open market offers would be equally (un)attractive to the prospective seller, surely a "black market" would emerge as a result of competition between would-be purchasers.

None of these defects, however, would appear to attach to Mr. Green's other proposal, which he almost casually introduces towards the end of his letter, for "a new property tax" based on land values "to replace the crumbling rating machine."

Given that there would be periodic revaluations and that such a tax (or rate) would apply to the value of all land whether used or not it follows that liability to pay such a tax would tend to bring into the market land which would otherwise not have been offered, thus increasing the supply of available land and tending to lower land values initially.

The limit for such a tax and/or rate would of course be the full economic rental value of land, at which point a revolutionary situation would obtain, resulting indeed in "a more effective use of the nation's entire land resources." Commensurately, a tremendous tax burden could be removed from labour and capital.

Victor Saldji.
*8, Ivor Court,*
*Gloucester Place, N.W.1.*

## Give the devil his due

Sir,—Michael Pilch (November 2) appears to think that all the profits emerging from a contributory pension fund should be utilised for the benefit of the employees. With this I venture to disagree. The profits are mainly derived from the investment of the employers' and employees' contributions. Who then could deny that the employer, which really means the shareholder, should receive his share? Even the devil is entitled to his due.

The benefits provided by a pension fund can be insured on a non-profit basis so that both the employers and employees know the exact cost. Likewise by paying increased premiums which increase is inevitably paid for by the employer (shareholder) the insurance company at intervals declare bonuses and it is anticipated that the bonuses will exceed the additional cost paid for by the employer.

I suggest that at least the employer is entitled to receive his share of the bonus. Such share being based on the proportion the employers' contributions bears to the total, utilised so as to reduce the employers' future annual cost. The employees' share being utilised to improve the benefits of the pensioners and current members.

T. A. E. Layborn, C.B.E.,
*5, Heath Rise, Kersfield Road,*
*Putney Hill, S.W.15.*

## Extradition in Ireland

Sir,—With reference to Mr. Whitelaw's comments at Blackpool last month on the subject of the extradition of those wanted to stand trial for acts of terrorism and violence in Northern Ireland, may we point out that action by the people of Southern Ireland and their Government is now urgently needed, if their protestations of good neighbourliness are to be proven genuine.

At a time when the Council of Ireland is under discussion, it is relevant to point out that in the past few years there have been over 600 raids across the Southern Irish Border on Government installations in Northern Ireland. In point of fact the 132nd raid this year took place recently on the very day on which Mr. Heath was visiting the Republic of Ireland. On that day, in the ancient cathedral city of Armagh, the raiders fired 8 mortar bombs, 7 Russian RPG rockets, and some 500 rifle rounds at the police, the Army and civilian workers.

Over 60 warrants for extradition from the Ulster Police are now outstanding in the courts of Southern Ireland, many of them for some time, while every similar warrant from the Eire police has resulted in the Royal Ulster Constabulary handing over the suspect, without undue delay unless the suspect is already serving a prison sentence.

Now that the SDLP has joined with the other parties in Northern Ireland in condemning the IRA, it is up to the Southern Irish to prove the sincerity of their proposals for all Ireland co-operation.

J. Molyneaux,
MP for South Antrim.
John Biggs-Davison,
MP for Chigwell,
D. M. G. Pilleau,
Secretary.
The Ulster Group, Monday Club,
*51-53 Victoria Street,*
*London, S.W.1.*

## Added value and productivity

Sir,—I'm sorry if Mr. Douglas Bentley (October 30) misunderstood my article about added value and Stage Three. In case other readers shuddered with him, let me explain.

First, I am not advocating the widespread introduction of added-value-based bonus schemes. I agree with him that such schemes should be carefully engineered. Any company considering such schemes would be well advised to consult people with practical experience in their application. My main proposal was simply that, whatever the type of scheme, the Pay Board could use the ratio of added value to employment costs to detect increases in unit costs and to prevent the kind of "bargains" (a word I deliberately avoided) experienced in the 1960s.

Secondly, I'm well aware that added value is not just sales less material costs but the Census of Production definition uses more words than the whole of my article. I agree with him that, ideally, we would like more comprehensive Census data more quickly, though the service is improving every year. But when labour productivity has slipped to the extent shown in my example, you don't need a micrometer, merely a yardstick. The VAT returns, though crude, could reinforce other company information and Census data.

I can't agree with him that shop-floor productivity is what really matters. The Census figures (and confidential[...] from companies) show that increase in shop-floor pro[...]tivity in recent years has more than outweighed by hi[...] costs of administration. In [...] opinion, any bonus scheme [...] monitoring system that ne[...] white collar productivity is [...]ing for trouble. I also take [...] with him about added value [...] non-profit seeking organisa[...] but that's too long an argu[...] for this letter.

Like most people, I [...] prefer less Government co[...] But, as Mr. Heath discovered [...] the nick of time, that's e[...] said than done in the pre[...] state of the world. The re[...] report of the Price Commi[...] showed that some large [...]panies observed the letter [...] not the spirit of the law in [...] fully selecting the two best [...] for each subdivision and e[...]ing other weaknesses in [...] code. In future, these [...] fellows, and the innocent pa[...] must submit to closer scr[...] If businessmen behave like [...]chievous schoolboys, [...] masters will crack down [...] them. But then, if they [...] treated like responsible ad[...] they might rise to the chall[...]

E. G. Wood.
Sheffield Polytechnic.
*Halfords House,*
*16, Fitzalan Square, Sheffi[...]*

## Improve State schools

Sir,—In the present tele[...] debate on private education, abolitionists seem to base t[...] case on the fact that everyo[...] entitled to equal opportuni[...] education as in health. It is [...] that we have an exce[...] National Health Service. I m[...] was able to have access to [...] top doctors at the top hos[...] something that I could [...] have paid for.

The point, however, [...] surely that public med[...] was not substituted [...] private, nor did it arise from [...] abolition of private practice [...] just happened that the State [...]duced such an excellent he[...] service that private medicine [...] not wanted except by the ec[...]tric, who can still have it [...] price.

The position with educatio[...] quite different. Parallels [...] totally misleading. We al[...] have a State service. The [...] is that it is not good enough [...] will not be improved, as [...] Hattersley seems to think, [...] banning private schools. Wha[...] must do surely is to crea[...] situation where the State sch[...] are so good that people will [...] want to use private schools. [...] is it simply a question of [...] grapes being sour?

M. J. Greener.
*9 Romilly Park,*
*Barry, Glamorgan.*

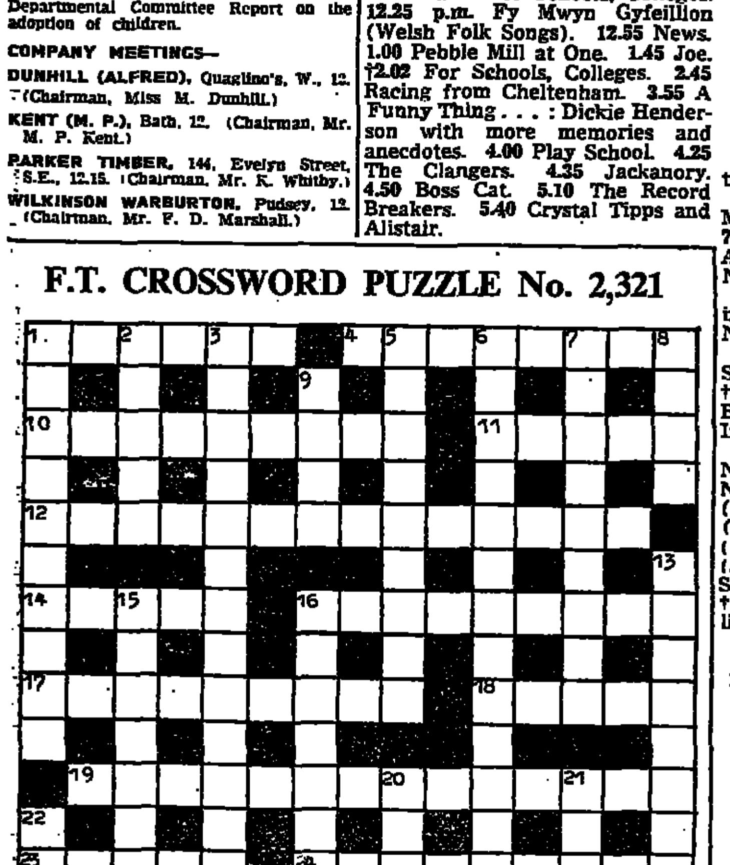
# Events

## To-day

**PARLIAMENTARY BUSINESS—**
House of Commons: Debate on the Departmental Committee Report on the adoption of children.

**COMPANY MEETINGS—**
DUNHILL (ALFRED), Quaglino's, W., 12. (Chairman, Miss M. Dunhill.)
KENT (M. P.), Bath, 12. (Chairman, Mr. M. P. Kent.)
PARKER TIMBER, 144, Evelyn Street, S.E., 12.15. (Chairman, Mr. K. Whitby.)
WILKINSON WARBURTON, Pudsey, 12. (Chairman, Mr. F. D. Marshall.)

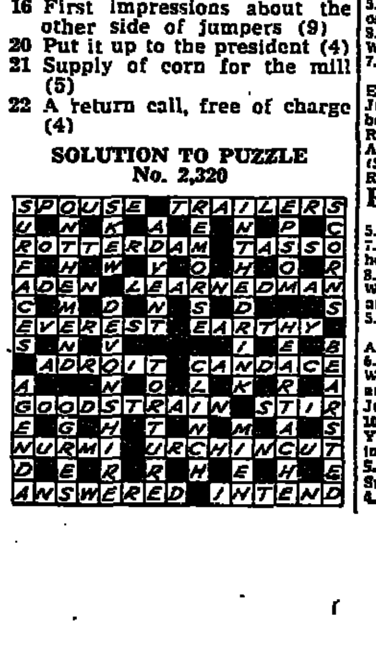
## F.T. CROSSWORD PUZZLE No. 2,321



**ACROSS**
1 Exercise Her Majesty must leave—it's her duty (6)
4 More than one airman with foot in pain needs a source of heat (8)
10 Dull, like the unsuccessful team with a player missing (9)
11 Weight one put on—at the seaside? (5)
12 Spoilsport in the man in the bank (3, 2, 3, 6)
14 Pipes for travellers (5)
16 Give friend a place to eat what is tasty (9)
17 The sources of slick plots? (3-6)
19 Offended after taking off and now it's finished (5)
22 Something to think about while reading the menu (4, 3, 7)
23 Wave and give credit to the little devil (5)
24 A piece added without anxiety (9)
25 To arrange for wind instrument is easy initially (8)
26 Old Roman bus goes round a rut (6)

**DOWN**
1 The speed of an organised exploration (10)
2 Caught fish, don't let go (5)
3 Be determined to desire something (3, 4, 4, 4)
5 Collects and puts the parts together (9)
6 Quite near but not yet visible (6, 3, 6)
7 Wherein love lies bleeding? (6-3)
8 Require a necessity (4)
9 Network makes me quiet (4)
13 Jewels for a tiara? They are seen in grave places (10)
15 Invoice unpaid and swelling (9)
16 First impressions about the other side of jumpers (9)
20 Put it up to the president (4)
21 Supply of corn for the mill (5)
22 A return call, free of charge (4)

SOLUTION TO PUZZLE No. 2,320



# TV/Radio

## BBC 1

† Indicates programme in black and white.

9.30 a.m. For Schools, Colleges. 12.25 p.m. Fy Mwyn Gyfeillion (Welsh Folk Songs). 12.55 News. 1.00 Pebble Mill at One. 1.45 Joe. †2.02 For Schools, Colleges. 2.45 Racing from Cheltenham. 3.55 A Funny Thing . . . : Dickie Henderson with more memories and anecdotes. 4.00 Play School. 4.25 The Clangers. 4.35 Jackanory. 4.50 Boss Cat. 5.10 The Record Breakers. 5.40 Crystal Tipps and Alistair.

5.45 News.
†6.00 Nationwide.
6.45 The Friday Western: "The Maverick Queen," starring Barbara Stanwyck.
8.15 The Black and White Minstrel Show.
9.00 The Nine O'clock News.
9.25 Cannon.
10.15 The Dimbleby Talk-in.
11.00 Late Night News.
11.05 "The Intruders" (feature film made for television).

All Regions as BBC 1 except at the following times:—

Wales—1.15-2.00 p.m. Ar Lin Mam. 6.00-6.45 Wales To-day. 6.45-7.15 Heddiw. 7.15-7.45 Dad's Army. 7.45-8.15 Cywain. †12.37 a.m. News of Wales.

Scotland—6.00-6.45 p.m. Reporting Scotland. 12.37 a.m. Scottish News Headlines.

Northern Ireland—6.00-6.30 p.m. Scene Around Six. 6.30-6.45 Arena. †8.30-9.30 Siobhan McKenna from Balmoral. †12.37 a.m. Northern Ireland News Headlines.

England—†6.00-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth). †12.37 a.m. Regional News Headlines.

## BBC 2

11.00 a.m. Play School.
7.05 p.m. Animal Design.
7.30 News Summary.
7.35 Family Fare (cooking with beer and cider).
7.45 Heritage, part 2: The Sovereign's Parade.
8.15 The Money Programme.
9.00 World Cinema: "The Seagull," starring Lyudmila Savelyeva.
10.35 Edition.
11.05 News Extra.

## LONDON

9.30 a.m. Schools Programmes. 12.05 p.m. Rainbow. 12.25 A Handful of Songs. 12.40 First Report: News, by-election results, and FT index. 1.30 Crown Court. 2.00 General Hospital. 2.30 Good Afternoon! 3.00 The Name of the Game. 4.20 Timeslip. 4.50 Magpie. 5.20 I Dream of Jeannie. 5.50 News from ITN.

6.00 To-day.
6.35 Crossroads.
7.00 The Protectors.
7.30 Hawaii Five-O.
8.30 Billy Liar.
9.00 Helen—a Woman of To-day.
10.00 News at Ten.
10.30 Police Five.
10.40 Russell Harty Plus.
†11.30 The Friday Film: "Hot Spell," starring Shirley Booth, Anthony Quinn and Shirley MacLaine.
1.00 a.m. Christian Book Week with Howard Root and Fr. Michael Winter.

All ITV Regions as London except at the following times:—

### CHANNEL
[illegible]

### GRAMPIAN
[illegible]

### GRANADA
[illegible]

### ANGLIA
[illegible]

### ATV MIDLANDS
[illegible]

### BORDER
[illegible] Roaring Twenties" starring Mickey Rooney and Diana Dors. †12.28 a.m. Border News Summary.

### HTV
2.30 p.m. Women Only. 3.00 Friday Matinee: "The Golden Mistress." 5.20 [illegible]

### SCOTTISH
[illegible]

### SOUTHERN
[illegible]

### TYNE TEES
[illegible]

### ULSTER
[illegible]

### WESTWARD
[illegible]

### YORKSHIRE
[illegible]

### RADIO 1 247m
[illegible]

### RADIO 2 1,500m and VHF
[illegible]

### RADIO 3 464m, Stereo & VHF
[illegible]

### RADIO 4 434m, 330m, 285m & VHF
[illegible]

### London Broadcasting 417m and 97.3 VHF
[illegible]

### Capital Radio 539m and 95.8 VHF
[illegible]

# Racing

## It is a 'Kid' nap by DOMINIC WIGAN

THERE IS an exciting race in prospect for the Wills Premier Chase Qualifier (2.55) at Cheltenham to-day, in which *Bruslee*, *I'm Happy*, *McKenzie* and *The Sundance Kid* clash.

Bruslee fell in his last two races in the 1972-73 season, but made a good start to this campaign when outpacing Credibility in the Stud Challenge Cup over two miles on this course recently. The runner-up paid a compliment to that form when successful at Uttoxeter yesterday.

I'm Happy, who has the distinction of being the first horse to defeat Bula, is another to have won here. Toby Balding's seven-year-old ran on strongly to hold Bountiful Charles over course and distance early this year.

In his only race this term he showed good speed before tiring in the closing stages of another Wills Qualifier at Newbury last month.

Peter Bailey's McKenzie is the only runner in this field to have won more than once this season, two successes, but against weak opposition.

After winning at Huntingdon last month, this tough gelding went on to justify heavy support in a race over two miles and five furlongs at Wincanton eight days ago, where he proved to be far too good for Jacqueline's Pearl, to whom he was giving 7 lbs.

The Sundance Kid, whose trainer Harry Thompson Jones, has a good record here, ended last season by finishing a disappointing fifth of six in the Veuve Clicquot Champion Novice Hurdle at Punchestown, Ireland.

He put up a smart performance on his first appearance over fences, however, when defeating eight rivals in the November Chase at Sandown a week ago, and he has the potential to make a high-class chaser.

In what ought to be an exciting finish I nap The Sundance Kid to win for his new owner, Mr. George Strawbridge, of the U.S.

Even if Balding does not succeed with I'm Happy, the Weyhill trainer's six-year-old *Craigend* ought to win the Cowley Novices' Hurdle (3.25).

This gelding, by Ben Hawke, defeated Irish Scholar by seven lengths here recently, and although his time was slow, he was not ridden out, and I expect him to supplement that success.

Apart from Cheltenham, there is also a good programme at Doncaster this afternoon. It is a Racegoers Club concession day, and it will be interesting to see how the comparative novice *Turbulent Eddy* fares against *Whispering Grace* in the November Handicap Hurdle (2.00).

Turbulent Eddy began this season by defeating Racer Jess by two lengths on level terms at Market Rasen in September, and in his only race since he put up a better performance when beating Dokumar at Cheltenham four weeks ago.

Although he is still improving, though, I shall be surprised if Turbulent Eddy is able to cope with Whispering Grace, who won in a record time at Ayr recently.

In the final race on the Doncaster card, the Tickhill Juvenile Hurdle (3.30), backers are unlikely to find it easy to choose between *Alverton* and *Ashendene*.

The first-named won impressively from Super Nova at Ne[...]castle ten days ago and I n[...]rowly prefer him to Ashende[...] who has achieved a hat-trick [...] Cheltenham, Kempton and N[...]bury in his only three races o[...] hurdles.

**CHELTENHAM**
1.30—Princely Son
2.25—The Pooka
2.55—The Sundance Kid***
3.25—Craigend

**DONCASTER**
1.00—Tweedbred
2.00—Whispering Grace**
2.30—Even Sail
3.30—Alverton*

## 'Show content of X films in cinema titles'

FILMS being shown with an [...] London" certificate should [...] press in their titles the film's c[...]tent, and this could be coup[...] with a request that a synopsis [...] the film be displayed in the fo[...] along with a warning notice [...]vising the film could offend [...] shock some people.

This was advocated yesterday [...] Mrs. Enid Wistrich, chairman [...] the GLC's Film Viewing Board [...] an experimental period. [...] Wistrich explained: "Our prime concern is with that section [...] the public who walk into cinem[...] not knowing what is showing [...] being possibly misled by the fi[...] title. I view this move as [...] further protection of the publ[...]

The plea results "partly f[...] the stricter control of front-of-house publicity which is be[...] exercised in London, a con[...] which could have the undesir[...] and unintended effect of cons[...]ing the nature of the film be[...] shown." Mrs. Wistrich explain[...] She expected the move to be w[...]comed by the Home Secretary.

## GLC MEETINGS MAY GO ON RADIO

Greater London Council is [...] consider a request for its [...] ings. BBC Radio London and [...] new commercial stations, [...] Broadcasting and Capital [...] are also asking to record ex[...] of question time and debates [...] transmission later.

## ...ler's Wells Theatre

# Ottone

...nd production in the ...l Opera Society week is ... *opera seria Ottone*, first ... at the King's Theatre, ...rket in 1723, then revived ...don quite frequently until ... thereafter not seen again ...gland until October 1971, ... the work was mounted, to ... and general acclaim, by ...er Douglas Craig and ...er Terence Emery, in a ...and subtle translation by ...w Porter. And now we ...hat production before us ...—but, alas, something has ...eriously wrong. Not, per... according to Wednesday's ...ce: their *funny-bone* began ... tickled about ten minutes ... the performance began; ...om then on, mirth was the ...e of the evening. At every ...ath sworn, or vengeance ...ned, or troth plighted— ...n the simplest asides— ... were roars of laughter, ...upted occasionally, to be ...by the business of arias; ...peedily renewed at every ...ive.

... this, producer, conductor ... singers must take full ...sibility, not Handel. The ...tions of *opera seria* may ... from our current notions ...sic theatre; and the plot ...*one* may be exceptionally ...us, riddled with ins-and-... of intrigue, love, hate, ...s of heart, what-have-you. ...e music constantly tells ...re about the characters ...ere plot; these characters ...eir arias, are among the ... finest, strongest, most ...ting and most beautiful ...andel ever created. If they ...l funny on Wednesday, that was because of an absolute lack of conviction on players' and producer's parts, not on the composer's. Continuity was not helped by having scene-shifters, silhouetted against the back slide-projections, constantly disrupt all sense of ongoing drama with their sliding boards, swaying mock-trees and creaking pillars (the sets are handsome, but in present circumstances unworkable, unless moves can be made in blackout).

Musically the performance was hardly distinguished enough to sway the balance — although memory, of Patricia Kern, Josephine Barstow and especially of Anna Reynold's magnificent Otto, may do the present singers added injustice. It seemed, however, that there were all too many moments of faulty intonation and unsteady vocal production—from James Bowman, suitably a countertenor in the title role, tall and handsome, but raw-voiced and gusty, to worst effect in the great third-act aria, where Miss Reynolds was all soul and stillness; from Sandra Browne, a lively artist, none of whose grimaces and gesturings disguised a technique not ready for Matilda's music; from Joan Clarkson's Gismonda, the character plausible, the voice ill-managed.

The only persuasive Handelians in evidence were conductor David Lloyd-Jones; Wendy *Eathorne, a plaintively sweet* Theophano; and — the sole survivor from 1971—the sturdy, eminently suitable bass Anthony Raffell as Emireno.

**MAX LOPPERT**

## ...al Court

# The Merry-Go-Round

...r Gill's unique touch with ... Lawrence's plays has ... succeeded in turning this ... piece into a sensitive and ...ng play. "Almost," ...e nothing can save the ...hree scenes, which with ... ludicrously contrived con... seem to belong to an... and much inferior, drama. ... plot, which turns on the ... of three men for the ...f a District Nurse and the ...al of the money left by ...other of one of them, has ... to recommend it; indeed ...usque conclusion suggests ...he author himself could ...ave thought much of it. ...haracters from a Notting... ...ire mining village are ... more, and in Mr. Gill's ...lously naturalistic pro... ...n they emerge so vividly ... their problems seem of ...importance.

... style is as we remember ...m that notable Lawrence ...of five years ago. Nothing ...t to the imagination; boil... ...ater boils, teapots contain ... activities take as long on ...tage as they take in life, in ...ce if necessary. *The cur*... rises on dying Mrs. Hem... (Ann Dyson, seen alas in one scene only) and we ... her restless movements ... for what feels like minutes ... the action begins. We know that sick room, we know that kitchen, and Nurse Broadbanks' tidy lodging with its upright piano, almost as well as if we had lived in them. Derrick O'Connor as Harry Hemstock, Mrs. Hemstock's over-mothered son (every man in the play except the vicar is in thrall to women), gives a beautiful display of restrained emotion, spoilt only by the fact that half his muttered Nottingham dialect is incomprehensible. He is favourite for Nurse Broadbanks' hand most of the time; but Nurse (played with tellingly rigid correctness by Mary Miller) prefers her former sweetheart, the doctor—although their one scene together is oddly lifeless. The third contestant is an arrogant middle-aged collier, beautifully played by George Malpas, who woos her by singing to her piano accompaniment in an exquisitely funny passage.

There are enjoyable performances too by Marjorie Yates as Harry's fiery sister Susan, Susan Tracy as the man-mad girl Rachel who ultimately ensnares Harry and Alex McCrindle as Harry's old father. For three-quarters *of the evening we are* absorbed in these events as deeply as if they were our own. It is miserable that all that carefully erected structure should be brought down by the futile ending.

**B. A. YOUNG**

## ...abeth Hall

# The Schütz Choir

...lways took a hard thinking ... to sort out which of ... Norrington's two choirs ... after Heinrich Schütz was ...oir and which the Chorale. ...tion of one group contain... ...rofessional singers, the ... only amateurs; but as ...gton's best concerts were ...n which they all took part, ...onfusion didn't matter ... anyway. Now, however, ... changed, for Norrington ...isbanded both the old ... and formed instead The ... Choir of London, which ...ed its first Elizabeth Hall ...t on Wednesday.

...24 singers in the new ...are "well-known profes... ..." No doubt the simplifi... ... suits their increasingly ... conductor: professionals ...se more quickly, for a ...But there is also the dis...age that, as they are also ...own in London's many ...imilar choirs, these voices ...ith the standard profes... tone rather than with the ...ual colouring such as ...gton's original ensemble ...veloped. And the apparent ...ion of the choir to 24 ... that Norrington has less ...n in building pro...es. One way and another, ...sday's sparsely attended ... was a limp affair, suggesting that the new organisation has not yet found its feet.

Perhaps the choice of works was partly to blame, for it was one of those eclectic selections that keep one wide awake on the radio but do not always come off in the concert hall. First one of Handel's *Chandos Anthems*, "In the Lord put I my trust," with scruffy orchestral playing by an ad hoc band with only six fiddles, and Peter Pears sounding slightly exhausted by overwork in Venice. Then four motets by Mendelssohn from Argo's "Hear my Prayer" record: *Psalm 22* and the *Ave Maria*, and the two-part *Veni Domine* and *Beati mortui*. After the interval, Schütz's motet cycle *Quid commisisti*, and Bach's Cantata No. 55, *Ich armer Mensch*. Also a secular intruder, conspicuously seductive: Strauss's unaccompanied setting for mixed chorus of Rückert's *Die Göttin im Putzzimmer*; an intriguing piece, floating vapidly like the Flower Maidens in *Parsifal*.

All these the choir sang more or less reliably, with soft-grained rhythm and clear tone, ranging from a quietly expressive interpretation of the Bach chorale to stern syllabic declamation of the Schütz cycle.

**GILLIAN WIDDICOMBE**

## ...rican Embassy

# John Kozar

...tle while ago, in a British ... magazine, the American ...er Elliott Schwartz was ... read lamenting "that ...h the United States and ...d may have a great deal ...mon, we still know very ...bout each *other's musical* ...es." Schwartz was writing ...he British and American ...porary music scene, and ...t important respects he ...t: in England we may ...eard the names, and even ... two of the works, of ...eam figures like Copland, ... Piston, Sessions or ... we may perhaps have ...the sounds, or read the ...s. of Cage; but how often ...British audience have the ...to hear the important and ...xciting innovations of the ...r generation of composers ...cent years organisations ... the Park Lane Group, or ... Now," or the once again ...ultural department of the ... States Embassy, have ...a little to bridge the cul...p. It was presumably ...ith some such bridging ...n in mind that the young ...n pianist John Kozar ...ed his recital of rarely-... American keyboard works in the Embassy's auditorium on Wednesday—though it did occur to me once or twice during the course of the programme to wish that he had included a few more works in it rarely played for less good reasons.

Are we to be persuaded that such turgid serial frights as *Fantasy on a Row* by Dika Newlin (b.1923) or *Three Pieces* by Ben Weber (b.1916)—or indeed any of the neo-classical maunderings of Walter Piston (b.1894)—represent "America To-day"? Curious choices: if the avant-garde frightens Mr. Kozar, why not Crumb, Carter, Babbitt —or William Bolcom, William Albright, Edwin London? The well-formed sounds of Copland's Sonata proved dull, but bearable, at least significant of some mature trend. But it was unreservedly good to hear Carl Ruggles's set of four *Evocations*, dating from 1937-40, that spoke with a gentle but tough and highly individual voice; and best of all, two exuberant Ives pieces, the thunderous *Anti-Abolitionist Riots of the 1830's and 1840's* and the brilliant *Some South-Paw Pitching*, neither of which I'd heard before.

**DOMINIC GILL**

## Cinema

# Stir for a spy

by NIGEL ANDREWS

King, Queen, Knave (X) — Classic Victoria
The Mackintosh Man (AA) — Warner West End
Malizia (X) — Warner Rendezvous
The Father (X) — Berkeley from November 15

British distribution policies are a mystery. As if its two-year delay in reaching this country were not enough, *King, Queen, Knave*, the latest film by the gifted Polish director Jerzy Skolimowski, is currently showing at a London cinema un-Press-shown, virtually unreviewed, and sharing the honours of a double-bill with a graceless and over-energetic Australian comedy called *Stork*. Since Skolimowski's last film to reach London, *The Adventures of Gerard*, was also kept on the shelf for two years, and then smuggled unceremoniously on to the circuits without any tip-off to the critics, it really begins to seem as if the director is the victim of some giant distributorial conspiracy. Admittedly, *King, Queen, Knave* was given a fairly unanimous thumbs-down by critics at last year's Cannes festival: but even if a hostile critical reception had been anticipated in London, the film surely has enough points of interest — *Skolimowski's* direction, stars David Niven and Gina Lollobrigida, and a screenplay based on a novel by Nabokov—to warrant at least a screening to the Press.

To my mind, it warrants much more. Despite the forebodings from Cannes, it's a delightful and wholly individual black comedy: not up to the level of Skolimowski's best work—*Le Depart, Walkover, Deep End*—but clearly in a different class from the glossy sex comedies with which the casting of Niven and Lollobrigida will inevitably identify it in the minds of audiences uninformed to the contrary by Press reviews.

Like Nabokov's *Laughter in the Dark*, it's a sardonic story of triangular love centring on the attempts of an adulterous couple *to trick, evade and finally murder* the man they have deceived. The husband in the story is a wealthy department-store tycoon Sir Charles Dreyer (David Niven), who, in the process of seeking a successor to the family business, lights upon his young nephew Frank (John Moulder-Brown), a gauche, bespectacled adolescent whose business sense is as diffidently underdeveloped as his sexual prowess. Once summoned to his uncle's palatial home, however, he acquires a rapid schooling in both departments. He enhances his business reputation by introducing his uncle to a wild-haired inventor whose latest brainchild is an electronically animated shop-window model. And he disposes of his virginity by entering on a passionate affair *with his beautiful aunt Martha* (Gina Lollobrigida).

As the film's cat-and-mouse story gradually gathers speed, Skolimowski as ever presents his characters as puppets in the grip of their ruling passions. Like the awkward adolescent he played in *Deep End*, John Moulder-Brown's hero is a sexual novice whose leap from innocence to *crime passionel* severs what little grip he ever had on reason and reality. And it is in the resulting tension between real and surreal the film finds its comic vitality. Frank's love-making scenes with Martha in his ramshackle fourth-floor bed-sit work both as naturalistic comedy routine—older woman versus stammering youth in the style of *The Graduate*—and as a hilariously surrealist montage of images, creaking bedsprings, toppling furniture and sweaty faces giving way to organ chords at the moment of "climax," and a lyric concluding shot of rain spattering the window-pane.

Somewhere towards the end of the film, the story takes over and the result tends to work against Skolimowski's rapid-fire improvisatory style—which perhaps explains the coolness with which the film was greeted in Cannes. For most of its length, however, *King, Queen, Knave* is a richly rewarding comedy, and a reaffirmation if ever one were needed, of Skolimowski's major talents as a comedy director.

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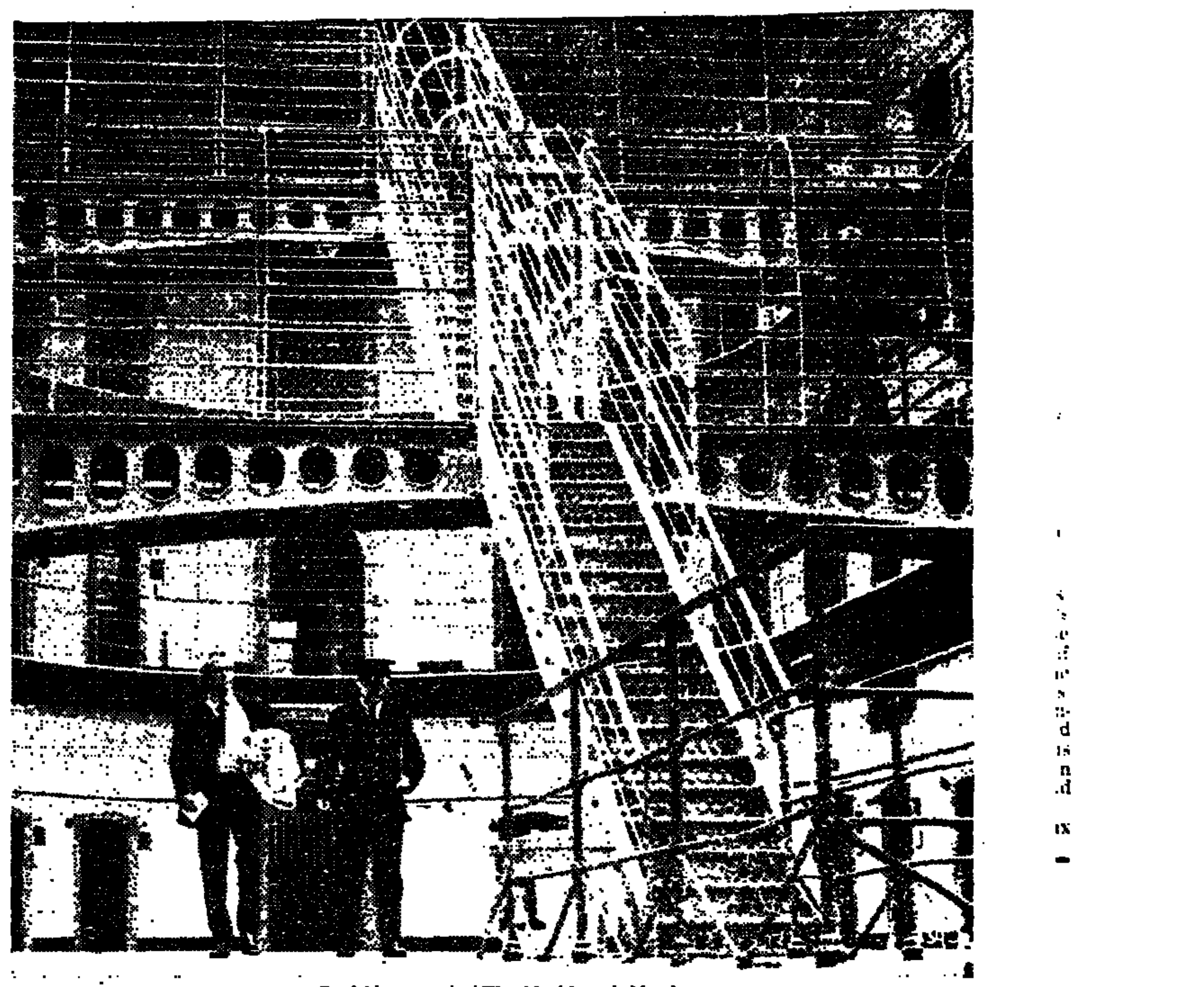
No director communicates his sheer enjoyment in the act of film-making more than John Huston. *The Mackintosh Man* is a far-fetched and fairly derivative espionage story, blending elements from such diverse sources as Le Carré, Alistair MacLean and *The Thirty-Nine Steps*. In Huston's hands, though, what looks to have started out as a moderate script has become a movie of real character and style, a film that drives its way through a fair assortment of absurdities — Paul Newman sporting an Australian accent, Dominque Sanda as the most improbably glamorous female spy since Ninotchka—to a powerful and genuinely tense conclusion; one of those who-can-you-trust endings in which hero, heroine and villain each finds himself pulling a gun on his opposite number and grimly challenging him to reveal his *true motives and identity*.

Newman plays a British Intelligence agent who executes an elaborate diamond robbery with the aim of getting himself a 20-year jail sentence. His object is to make contact with the "Scarperers," a gang of highly-organised professionals who are making a profit from breaking top-security prisoners out of Britain's jails. Newman duly escapes with the group's aid, and his subsequent pursuit of their ringleader takes him on a picturesque journey from a remote Irish fishing village to the port of Valletta in Malta. Among those encountered along the way are Ian Bannen as a Russian spy who escapes with Newman, Michael Hordern as an underworld boss masquerading as an Irish country squire, and James Mason as a suavely villainous British MP.

It's the kind of script that could never have inspired a great film, but could certainly have produced one a lot worse than Huston's. The distinction his direction lends the story is in the relaxed, measured authenticity of the action: no part of the story is hurried, no detail of setting or landscape less than atmospherically filled in. Renowned, too, for his experiments with colour, Huston has here renewed his collaboration with Ossie Morris, who worked as his cameraman on *Moulin Rouge, Moby Dick* and *Reflections in a Golden Eye*, and created a colour scheme in which greys and greens predominate to offer a perfect visual equivalent to the world of subterraneous half-tones in which Huston's characters move. The bewildering twists and turns of the story would probably not, in retrospect, hold up to serious examination but the measure of Huston's genius as a story-teller is to have kept such *doubts at bay until well after* the film is over.



Paul Newman in 'The Mackintosh Man'

One of the year's major critical and commercial hits in Italy, *Malizia* is a strident Latin sex comedy written and directed by Salvatore Samperi. It tells the story of the sexual and emotional torments visited upon a hot-blooded Italian family when the death of their mother is followed by the arrival of a *beautiful girl from the provinces* to act as the family's governess-cum-housekeper. While the father and eldest son compete openly for her sexual favours, the 14-year-old Nino worships from afar, nurturing in secret his adolescent sexual fantasies. It is not long before the father proposes marriage to the girl, and the girl accepts provided all three sons agree. All but Nino *do; and his resistance is finally* broken down when the girl corners him in his room one thunderous night and—as the plot synopsis decorously puts it—"initiates the boy into the realities of sex."

These with a strong aversion to Latin comedy may find the going rather heavy. Under Samperi's over-eager direction, the performances tend to be projected at full volume, the music to spring noisily to life during the slightest hiatus in the dialogue, and the camera to zoom and pan ceaselessly around the baroque furnishings of the family's home. The film has nonetheless an undeniable comic appeal, and this is thanks chiefly to the director's clever alternation between sly character comedy (the narcissistic *elder son with his hair-net* and his early morning exercises) and overt slapstick sequences like Nino's panic escape from seduction at the hands of a plump and predatory Italian widow. If you can bear with the film's gaudy and gesticulating style, *Malizia* is a likeable, energetic and well-performed comedy.

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In a less busy week, one *might have given more attention* to Alf Sjoberg's screen adaptation of Strindberg's *The Father*. Not because the film necessarily merits it, but because it's instructive to wonder why *The Father* is so much less successful than Sjoberg's earlier Strindberg adaptation, the memorable 1951 *Miss Julie*.

There, as here, Sjöberg embellished Strindberg's play with a *number of imaginary flashbacks*. There, too, he used the camera's mobility to break up the play's theatricality and to provide brief glimpses of the outside world from which Strindberg's characters are so inexorably cut off. What is missing in *The Father*, though, is precisely that sense of a physical and historical reality that characterised the earlier film. Despite the stress Sjöberg places on the servants, glimpsed gossiping in the kitchen or furtively eavesdropping on their mistress and master's quarrels, and despite the psychiatric gloss he has imposed on the play ("idee fixe" the doctor scribbles busily in his notebook after his first interview with the Capatain), the staging of the central scenes remains stubbornly theatrical, and both the *settings and the lighting have* the artificial look of a proscenium production. The pity is not only that there is a great film clearly waiting to be made from Strindberg's play but that Gunnel Lindblom and George Rydeberg, who play the main roles, provide performances powerful enough to have made a real impact in a less cluttered and more orthodox production.

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The Christmas holidays are almost upon us and with them the annual spate of children's films and Carry On comedies. Two unappetising samples open this week. *The Belstone Fox* (Odeon Leicester Square (A)) is a sentimental story of animal love and loyalty set in a muddily-photographed corner of rural England. The film's twee *dialogue is delivered with a com*mendable minimum of embarrassment by a cast including Eric Porter, Bill Travers and Rachel Roberts. *Carry On Girls* (Metropole (A)) puts the Carry On team through the comic paces of a seaside beauty contest: there are the usual gags, the usual *double entendres*, and—apart from the lamented absence of Kenneth Williams and Charles Hawtrey—the usual cast of regulars.

*

I erroneously stated last week that Godard's *Tout Va Bien* has not found a public distributor in this country, and that it could be seen only during The Other Cinema's current season of films at the Collegiate Theatre. In fact, the film is being screened late night at the Paris-Pullman.

## Paris

# Soirée Cunningham

by CLEMENT CRISP

It is not a bad idea to let off the occasional artistic bomb in an opera house: it shakes the dust off the creative chandeliers. I don't know the detonation value of the Merce Cunningham piece given its first showing on Tuesday night at the Opéra—this *Un Jour ou Deux* rarely rises above mezzoforte—but it is a very worth-while enterprise, indicative of new hopes for the Opéra ballet company which has, of recent years, looked as if it were dying on its exquisitely pointed feet.

Commissioned by the Festival d'Automne and the Paris Dance Festival for the Opéra, *Un Jour ou Deux* is a Cunningham/Cage/Jasper Johns collaboration given the most improbable of settings by the adorable pomposities of Garnier's Palace. In a programme note, Cunningham observes that "the dance will be comprised of a number of separate dance events—solos, duets, trios, quintets and larger groups—sometimes seen as a single entity, and sometimes in multiple with several going on at once. There are no predetermined characters and there is no prearranged story, so the characters of the dance become the characters of the individual dancers themselves, and the story is the continuity of events as they succeed one another."

The Cage score also turns out to be a piece of choreography, sometimes more interesting for its moves than its sounds. The ground base is a tape recorded during the day at Cage's country retreat—aeroplanes pass overhead, dogs bark, rooks caw. In addition a group of 20 soloists (one from each bench of the orchestra, plus two pianists and five percussion players) are given an aleatory text which they may, or may not, play under the supervision of any of three "musical coordinators" as they choose. Tapping on card-board boxes, slapping the walls, hand-claps and a general to-ing and fro-ing are also part of the fabric of sound, whose attraction over a period of an hour and a half seemed to me in inverse ratio to its length.

Jasper Johns' designs are based on a colour spectrum which moves from charcoal grey to white; the dancers' leotards are shaded in these tones, and two gauzes similarly shaded from left to right divide the stage, one of them remaining down during the whole length of the piece with lighting behind it which can make the dancers seem clearly defined, or whispy reflections of the artists on the fore-stage.

This monotone colouring, the unemphatic score, the sheer length of the work—100 minutes without an interval—might have been thought a guarantee of the most pernicious boredom. But not so. Cunningham has marshalled 26 dancers to contrive a work that, like one day or another, has high-points, passages of calm, sequences when time flies or drags. He has chosen the younger members of the Opéra troupe, and plainly has worked as hard in class with them as in mounting the piece, and the bodies have proved both responsive and highly expressive under his tutelage. The most concentrated writing is for a quintet of principals: Josyane Consoli and Wilfride Piollet, who are good; and Michael Denard, Claude Ariel and Jean Guizerix, who are even better.

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Of course, *Un Jour ou Deux* is an extraordinary piece; yet the meeting of the Opéra artists and the Cunningham method has resulted not in a conflict of identity, in which attitudes on either side might be supposed to harden, but seemingly in a mutual respect that has produced a work of remarkable, if unstressed, power. Cunningham disclaims any theme; nevertheless, the text conveyed an interaction between wildly dissimilar forces that has enriched both. My own conversion to Cunningham came, I freely admit, very late, with the serene "classic" works he brought to London on his last visit (though his long-time devotees will have always considered him "classic" in generalised choreographic terms.) This new piece certainly is "classic": it is about—if it has to be said to be "about" anything—Cunningham and the Opéra working together. There are recurrent references to the daily activity of an academic dancer's life, and certain of the attitudes implicit in a pas de deux or a male variation are exposed and reconsidered in terms made common to both creator and his physical material.

The structure seems to me like a sequence of wave-forms that pass over the stage, sometimes changing direction to move from behind the dividing gauze to the front. The activity is spaced, temporally and physically, with great skill and splendid use of the vastness of the stage; at one moment, five separate trios take place; there is a long and intricate pas de deux for Guizerix and Piollet, a big solo for Denard, who also has a series of brief variations; at other times poses for the *whole cast or for smaller groups* are broken by a burst of dancing that is absorbed and stilled by the general calmness.

It is, above all, uncompromisingly a Cunningham creation in its insistence upon movement as movement, with the choreographer suggesting to us ways of considering physical behaviour —small or large—on its own merits through the most delicate juxtaposition of step and gesture. There is nothing to distract us from these starkly handsome performers (the assumption of track-suits by some of the dancers some of the time is a simple change of emotional flavour), and there are none of those demonstrations of "personality cult" that has been the bane of an earlier generation of Opéra artist. Depersonalised perhaps, but not dehumanised, the bodies are given logic and reason by Cunningham's dances that make them look free in outline without losing the elegance of the Opéra style: his response to the dancers is as lively and respectful as theirs to his choreography.

The reception for *Un Jour ou Deux* was enthusiastic for the performers, and largely so for Cunningham himself. Outside the theatre a group of "Lettrist" adherents distributed a broad-sheet, protesting against the "Trio of Plagiarists" who had devised the work, and just before curtain rise a shower of these same leaflets rained down from the gallery: thereafter, calm and attention reigned. *Un Jour ou Deux* is rewarding to watch; we must hope that it will bring rewards to the administration brave enough in intention to set it on the Opéra stage.

## Angela Flowers

# John Loker

by MARINA VAIZEY

Five paintings, a number of drawings, photographs, photographic prints and lithographs by John Loker (b. 1938) make for an absorbing exhibition at Angela Flowers, 3 and 4 Portland Mews, d'Arblay Street, until November 10.

John Loker is obsessed with horizons, with our perceptions of that *visual moment when* land blends into sea, sea stretches out and melts into sky. The paintings are large, yet delicate, structured by horizontal lines in hatched bands, which float on grounds of speckled dotted colour, blues, greys, greens, browns like the markings on wild bird's eggs. In several of the paintings he has introduced more incident than before: a strong, nearly central shape reminiscent of a left-over pill box from coastal defence; small standing human figures, their ... blending into surfaces evoking the stone colours of gravel beaches, the slight shimmer of sand.

The paint is typically stippled, dotted, flecked. The closely related colours gently differentiated, suggest the metallic sheen and clarity of sea and land, the smoothness of the sky. He sets his horizons into fields of stone-sky colours and the paintings appear carefully structured, and certainly elegantly stylised. But they are about coasts, horizons, the surfaces of natural elements of water and land; more, they definitely convey, within the confines of a gallery, the expansive open feelings, which make some people insecure, and others wildly happy, that are common to many of us when we contemplate the edges of our island. Loker plays with ambiguities of perception and perspective, depth and flatness.

The Scottish Arts Council is inaugurating a new policy of asking a London dealer with a personal and creative approach to organise an annual exhibition of gallery artists. Angela Flowers is the first, and an octet from Angela Flowers can be seen at the Scottish Arts Council, Edinburgh. In the few years that Mrs. Flowers's gallery has been around, she has backed young or unestablished artists, and proved her eye with a generous, expansive taste. For example, Tom Phillips had his first major one-man show with the gallery. The octet includes a wide variety of artists, distinguished by strongly individual voices, from artists who play with light and colour, like Brendan Nieland, to Patrick Hughes' jokey visual paradoxes, Boyd and Evans' own brand of haunting oddness, Ian Breakwell's irony. . . .

CINEMAS CONTINUED PAGE 20

## WORLD TRADE NEWS

# Methodists urged to keep funds in South Africa

FINANCIAL TIMES REPORTER

THE Rev. Derek Farrow, Secretary-General of the Methodist Church Division of Finance recently returned from a three-week visit to South Africa determined to press his Church not to withdraw its investments there as a protest against apartheid. The Methodist Church has £16m. worth of investments, some of it with companies with South African interests.

Mr. Farrow said on his return that he was more convinced than ever that withdrawal of investments from South Africa could only produce great harm to the Coloured and Black African.

"Many of them have very tenuous existences anyway and if you were to withdraw investment they would be thrown out of work." Industry was doing more than anything else to break down apartheid, he added, although it was not intentionally doing so. Mr. Farrow said that British companies had done more in South Africa to improve the condition of Black workers than any other group of companies, adding: "I think, on the whole, Britain need not be ashamed."

THE ITALIAN NUCLEAR SUPPLY PROBLEM

# A tale of three tenders

BY DAVID FISHLOCK, SCIENCE EDITOR

"ITALY really is different," said a slightly distraught British salesman working for a U.S. nuclear company at the Foratom Congress in Florence. We were discussing the problems of selling nuclear steam supply systems to a nation that has paused even longer than Britain since placing its last order for a nuclear power station, despite the fact that it has few fossil fuel resources of its own.

The last order, for the 840 MW Caorso station on the River Po, was placed in 1969. But the Italians are about to decide what kind of nuclear steam supply system to order for their fifth station, of 800-1,000MW. Prof. A. N. Angelini, President of ENEL, the State-owned electrical utility, said "we hope we may be able to take the decision *before the end of the year.*" The decision will probably extend to a second, identical order.

## Competition

Three companies with three different reactors are competing for the fifth station, for a site that also has yet to be decided. Finmeccanica, the State-owned engineering group, is backing a U.S. General Electric boiling water reactor design submitted by Ansaldo, which already has the Caorso contract. Elettronucleare Italiana, comprising *one-third* each Fiat, Breda Termomeccanica, and Franco Tosi, is entering a Westinghouse pressurised water reactor.

The third bid is a Canadian Candu heavy water system, entered through Italimpianti, a plant engineering organisation. The partnership between the Canadian crown company Atomic Energy of Canada and Italimpianti has already been successful this year in landing the contract for a 600-MW Candu reactor for the second nuclear station in the Argentine.

The salesman's frustrations may be made understandable by recalling that Ansaldo, Breda and Italimpianti are all parts of the vast State-owned Instituto per la Ricostruzione Industriale (IRI) organisation. Somehow, the three teams, now busy finalising their tenders, have to decide how far ENEL is going to take its decision purely on the basis of power costs—the official line—and what weight might in fact be given to other factors, such as encouragement for Italimpianti's export activities.

Then comes the question of where to put the station. Prof. Angelini admits that "we are now coming up against very severe difficulties in siting our power plants." Only one Italian river, the Po, has a flow great enough to support the cooling water demands of power plants. Hence the Italians—like the British—have tended to look for coastal sites, and here the utility runs into conflict with the tourist industry, popularly held to be Italy's best prospect of becoming an affluent nation. ENEL has just completed an "extremely detailed study of 4,700 miles of coastline, taking account, Prof. Angelini claims, of every commercial and sociological aspect of power station siting that could be encompassed. It plans to publish this study as an evironmental "map." Other nations will surely be intrigued to know what factors have been taken into account.

Public resistance is not confined to nuclear stations, but extends to large new plants of every kind. ENEL alone has *about a score of projects held* up by objections of various kinds —private, local government, national government, and so on. So far Italy has escaped any severe resistance to its nuclear plans, partly perhaps because they have been in low key for so long. But it is confidently believed that ENEL, only ten years old and hampered throughthem by a serious cash flow problem, is now about to embark on a big programme of nuclear construction.

Sig. Pietro Bullio, Secretary-General of the Italian Nuclear Energy Forum (FIEN), *talks of* Italy's need to invest $36,000m. in reactors and a nuclear fuel industry by 1990, to produce 50,000 MW of new power. He admits frankly that he does not know where such a sum will come from—that it is formidable even for the giant nationalised companies of Italy to raise. "But Col. Khedaffi is our best friend," he says. "I proposed that we make him *chairman of Foratom.*"

## Opposition

Sig. Bullio is an ebullient lawyer who became involved in the nuclear scene in the 1950s when asked to sort out some of the patent problems of Prof. Enrico Fermi, inventor of the first nuclear core. He expects much more public opposition to nuclear power plants once things begin to happen—probably next year with at least two big orders, and two or three stations a year thereafter. But Sig. Bullio cheerfully quotes the British scientist who told a nuclear conference in Geneva two years ago that had there been a Tiber Valley Authority at the time, Rome would never have been built at all.

One eventual solution, he thinks, could be floating nuclear stations of the kind proposed by the Westinghouse-Tenneco subsidiary, Off-shore Power Systems. They might be anchored a few miles off-shore in the relatively secluded waters of the Adriatic, away from shipping or the tourist beaches.

But a more immediate problem for Italy's nuclear industry, Sig. Bullio suggests, is the fate of Fiat in the nuclear business. Fiat, the only privately-owned company left in the Italian nuclear industry, is not itself bidding for the next order and, as he says, "must sweat it out until more orders are being placed." It has a Westinghouse licence but since Breda also has such a licence Fiat may be on its own once the current decision has been made. On the other hand, with so much business in prospect the industry may soon need *Fiat's help* According to Sig. Giorgio Fogagnolo, managing director of AGIP Nucleare, the ENI-owned nuclear fuel organisation, a dearth of nuclear contractors together with the delays in granting approval for projects could extend constru[ction] times in Italy to as much 10 or 11 years.

Turning to what an Itali[an] translator at the Foratom Co[n]gress in October charming[ly] *called the "self - fertilis[ing]* reactor"—in other words [the] fast breeder reactor—we f[ind] more evidence of Italian ind[us]trial originality. The Gove[rn]ment recently created a separ[ate] company to develop and mar[ket] more advanced types of react[or] such as the fast reactor, usi[ng] *the manufacturing facilities* [of] the rest of the industry. This [is] called NIRA (Nucleare Italia Reattori Avanzati), shares [of] which are owned equally [by] Ansaldo and AGIP Nuclea[re], making this too a state-own[ed] organisation.

NIRA's immediate task is [the] construction of a complex [ex]perimental fast reactor kno[wn] as PEC, a sodium-cooled fast f[lux] fuel irradiation facility, at La Brasimone just north [of] Florence. This 130 MW (th[er]mal) reactor, begun in 19[..] affords Italian industry [a] chance of learning the novel a[nd] difficult technology of the f[ast] reactor. It will be the fi[rst] reactor designed and co[n]structed entirely by Italian [in]dustry.

## Participation

PEC, however, will also [be] Italy's passport to a genuine p[ar]ticipation in the tri-nation plans for commercial fast re[ac]tors, involving France and W. Germany. These are the pl[ans] promoted by the French and [the] Germans for partnership [be]tween Electricité de France, G[er]many's RWE and ENEL for [the] financing of two 1,000 [MW] "demonstration" power static[ons] based respectively on Fren[ch] and German fast reactor desig[ns]. The French hope to start [the] first of these projects kno[wn] as Superphenix, in 1975 w[hen] they will have about a yea[r's] operational experience of [the] Phenix 250 MW prototype [fast] reactor shortly expected [to] generate its first power [at] Marcoule.

# British Airways cargo future settled

BY PETER HERING

THE LAST of the major policy *decisions affecting the future* operating pattern of British Airways will be made known to-day when the airlines Managing Director, Mr. Henry Marking, will announce details for the re-structuring of the cargo divisions of the former BEA and BOAC. *So far they have con*tinued to operate as separate entities since the merging of the two airlines.

Mr. Marking will thus put an end to the speculation and uncertainty as to the future of the 3,200 management and staff employed on cargo operations which has prevailed since it was known that the airlines were to be merged over a year ago.

The plans provide for the merging into a single operating unit of the separato handling facilities currently operated *individually by the European* (BEA) and overseas (BOAC) divisions of the new airline and for the setting up of a single management structure for sales, marketing and customer services.

The decision to merge the handling facilities means that the *former BEA's huge terminal in* the cargo village at Heathrow, extending over more than 12 acres and known as Cargocentre Europe, will be combined under one roof with the former smaller BOAC terminal—BOAC Cargocentre—located alongside it. This will be achieved by knocking down a brick wall dividing the two, but much more complicated and costly will be the marrying together of the automated installations, which include cart tracks, hoists, pallet stackers, container lifts and other sophisticated hardware, with which each of the buildings is equipped. Much of it will become surplus and will have to be stripped out. Considerable modifications will have to be made to what is left to meet technical requirements for handling a big increase in cargo traffic which British Airways is planning to attract within the next couple of years.

The current throughput of the two terminals averages between 6,000 and 7,000 tons a week, and this is expected to double during the next five years.

A similar merging of handling facilities will be carried out at other British airports—notably Manchester and Glasgow. Since handling at these centres is in the main operated manually, the task will be simpler.

## Difficulty

What is expected to cause a good deal of difficulty, is the integration of management and staff—particularly at middle management level. At present, each of the divisions has its own separate management answerable to the equivalent of a general manager. There will, therefore, be complete duplication of duties and this will inevitably lead to a good deal of jockeying *for* positions under the new structure. British Airways intends to meet this situation by increasing the manning of the various management functions and where a surplus is thrown up, executives will be re-deployed to fill vacancies in other parts of the airline. The same policy will be followed in tackling the technical and handling staff in the terminals, but in this area the problem is unlikely to prove as difficult as the need for skilled workers is expected to increase to cater for the anticipated upsurge in the volume of traffic.

The airline intends to appoint a "supremo" to be responsible for the new cargo structure and is at present considering a "short list" of executives currently holding senior management posts within the airline from which the appointment will be made. A suggestion that whoever is appointed should have a seat in the Boardroom has been turn[ed] down.

British Airways is allowing [..] months for completion of the [re]structuring of its cargo activiti[es]. Immediate priority is to be giv[en] to the integration of the termi[nal] handling facilities and to t[he] setting-up of the new mana[ge]ment framework.

The plans are the outcome of [a] survey of the cargo operatio[ns] and management of the tw[o] former airlines which has bee[n] carried out over the past si[x] months by Study Group 5A unde[r] the chairmanship of Stephe[n] Wheatcroft, BA's planning direc[tor]. The group consisted of eigh[t] trade union representatives an[d] an equal number of manageme[nt] representatives from the tw[o] former airlines. It was the fir[st] management planning group [of] its kind to include worker representatives, and the recom[mendations] it put forward we[re] accepted almost in the[ir] entirety by the airline's Board.

## BRITISH EXPORTS

● National Westminster has *signed a financial agreement* covering the financing of a single screw diesel propelled bulk carrier worth £3.2m. for Bermuda. The vessel, which will be owned by World Maritime, of Bermuda, is scheduled for delivery in November this year and is being built by Govan Shipbuilders of Glasgow. It is the second of two similar vessels being built by Govan Shipbuilders Limited for companies within the World-Wide Shipping Group. The loan by National Westminster, totalling £2.56m., is guaranteed by Export Credits *Guarantee Department and repay*ment will be over a period of eight years from the scheduled date of delivery of the vessel.

★

● Lloyds (Burton) has won export contracts worth a total of *£2m. from Romania and Japan.* The company will supply chemical plant to the Romanian State Enterprise for the chemical industry and equipment for a new chemical plant to be built in Japan by the Chiyoda Engineering Company.

★

● The General Engineering Company (Radcliffe) have concluded a contract with A. Chandris Cables, of Greece, for the supply of machinery for the manufacture of a wide range of electrical cables. The value of the contract is approximately £1.7m.

★

● Dynamic Technology have secured a contract valued at over £250,000 with the South African Broadcasting Corporation for the supply of a single wire machine control system.

★

● Stone Wallwork has signed contracts with V/O Metallurgimport in Moscow valued at £900,000. Included is a contract for the supply of six double HB.2756 Hot Box Core and Mould Blowing Machines with Pattern and Corebox equipment for the manufacture of stainless steel valve *castings.* The extensive tooling for this contract will be manufactured by J. J. Harvey (Manchester) and Automotive Patterns (Precision Equipment).

★

● AtlasAir, one of the largest of the U.K.'s air freight forwarders and consolidators, has opened a branch office in Tokyo to undertake the sales and marketing of its international services for the handling of air exports and imports.

It is the company's first direct sales venture into Japan where its activities have previously been represented by United Air Cargo Consolidators, one of the restricted number of consortia authorised by the Japanese Government to operate in the international air cargo field The services performed by this company for AtlasAir will continue During the past year AtlasAir has been carrying out an extensive programme of development of its overseas activities, and the establishment of its first sales and services office in Japan is the first step in its plans for further expansion throughout the Far East to keep pace with the steady increase in the growth of air cargo traffic in the area.

It was among the first U.K. air forwarders to introduce consolidation services for British exports to Japan and currentl[y] *operates several such services* [to] and from the country every wee[k]. These consolidation services ar[e] shipped on scheduled flights bu[t] at rates well below those charge[d] by the international airlines.

★

● Brockhouse Engineering h[as] won an order for some £200,0[00] worth of torque converter tran[s]missions from the Bulgarian for[k] lift truck manufacturers Bulka[r] car Impex of Sofia. The Bu[l]garian company already has [a] licensing agreement with Broc[k]house to manufacture certai[n] models in the range and i[ts] *technicians have received trai*ning in the British company['s] West Bromwich factories. Th[e] present order is scheduled fo[r] delivery early in 1974.

★

● British Ropeway Engineerin[g] of Sevenoaks have complete[d] their contract worth over £1m awarded by Gibb-Ewbank Indu[s]trial Consultants on behalf o[f] the Government of Qatar t[o] instal urea export and grai[n] import conveyor systems an[d] associated ship loading and un[]loading facilities at Umm Sai[d] on the Gulf coast. All plant i[s] *now fully commissioned.*

★

● The British Trade Associatio[n] of New Zealand has challenge[d] an assertion by Trade an[d] Industry Minister Warren Free[r] that there has been a marke[d] swing by New Zealand ca[r] buyers toward Asian models.

Assuming the Minister wa[s] referring to Japanese vehicle[s] when he spoke in Parliamen[t] yesterday, Association Directo[r] Lawrence Crompton said in a[n] interview to-day that registra[]tion figures proved there ha[d] been no marked swing towar[d] Japanese cars.

Mr. Freer said consume[r] preference would gradually determine which models of cars should continue to be assembled in New Zealand.

Figures in April showed that 17.6 per cent. of the cars registered here were Japanese and 77.9 per cent. were British or Australian, Mr. Crompton said.

By September the Japanese share of the New Zealand new car market had fallen slightly to 17.3 per cent., while the British and Australian share was 77.4 per cent.

Commercial vehicle registra*tion statistics also showed* a drop in Japanese vehicles and a rise in British vehicles between April and September, he added.

هكذا مع الأهل

AMERICAN NEWS

# No comfort for Europe in Nixon energy plan

BY GUY DE JONQUIERES

WASHINGTON, Nov. 8.

ʞATEVER hopes Europe and ɔan barbour for establishing ɔperative schemes with the ʒ. to meet world oil shortages re received no encouragement ɱ President Nixon's latest tement on the energy ɩation.

n his televised appeal last ʰht for a national campaign to ɩserve energy, Mr. Nixon ated the shortages exclusively a U.S. problem and failed to ntion the impact which the ab oil cutbacks have already l on other industrialised ɩntries.

n the longer term, he made clear that his primary ective now is to sever U.S. ɔendence on outside sources of ergy and to make it totally f-sufficient again by 1980. This bitious goal he christened, nificantly, "project independence."

While Mr. Nixon's speech was nittedly directed primarily vards a domestic audience, his avy emphasis on U.S. self-ficiency rather than co-eration with its allies to solve energy problem, does not ɩance the prospects for the eady dilatory discussions be-een the U.S., the Common rket and Japan, on possible angements for oil sharing.

Indeed, coupled with the ent angry criticisms of rope's attitudes towards the ddle East by Secretary of ite Henry Kissinger, it sug-sts that the results of the est round of oil talks between der-Secretary of State for onomic Affairs Mr. William sey and European Govern-nts will at best be modest.

At home, the President's nouncement of a mixed pack-e of voluntary and mandatory asures to reduce energy con-mption and increase domestic supply has generally been welcomed, both as a long-awaited step towards coping with oil shortages and as evidence that he has not been entirely paralysed by the Watergate scandals.

The measures were generally welcomed by oil industry executives and other businessmen, who have been growing increasingly concerned at the fuel outlook for *the coming months.*

However, the main criticism of his programme has been that it should have been formulated several months ago and that, in the first instance, at least, it may rely too heavily on voluntary compliance by private citizens and co-operative enforcement by the individual States.

Among the major voluntary measures which the President outlined were: adoption of a 50 m.p.h. maximum speed on highways, lowering of office and home heating thermostats, increased usage of mass transportation and the pooling of private cars.

Beyond this, Mr. Nixon is also pressing for Congressional legislation to impose a tax on "excessive" energy usage, adopt year-*round* daylight saving time, reduce outdoor illuminated advertising, limit business and school hours and restrict airline and commercial lorry operations. In addition, he is seeking to *prevent industrial plants from* converting from coal to oil and to relax clean air standards.

He also hinted at the possibility of adopting petrol rationing and a special tax on petrol. *The Administration has been* reluctant to take either measure, though the immediate establishment of stand-by petrol rationing is widely favoured in Congress.

Mr. Nixon's initiative has received a mixed reception from the individual State Governors. Some, like *Governor* Edwin Edwards of Louisiana, have expressed criticism, but a number of others—particularly in the oil-starved north-eastern States, are supporting the measures.

So far, however, the brunt of the efforts to curb consumption at State level has consisted of exhortation and example—one Governor, Reubin Askew of *Florida*, walked to work this morning. The Governors and State Legislatures have yet to tackle the thornier propositions of relaxing clean air standards and imposing mandatory speed *limits.*

Nicholas Colchester writes from New York: Wall Street produced an emphatic response to the President's speech, climbing sharply on heavy volume as soon as the stock market opened. Within an hour, the Dow Jones Industrial Average was up by over 20 points, but then a correction followed and at noon the Dow was up by 11.59 at 931.67.

The early impetus seemed to spring mainly from President Nixons assurance that he had "*no intention of walking away* from the job I was elected to do." The market always seems to welcome positive doses of medicine, economic or otherwise, and so seemed quite pleased with Mr. Nixon's demands for powers to curb American oil consumption.

The President's plan to find ways of eliminating U.S. dependence on Middle Eastern oil by 1980 set investors searching for potential beneficiaries. The most *obvious gainers on this score* were the coal companies and the railways.

Investors were also encouraged by the news of progress made by Henry Kissinger in looking for compromises acceptable to both the Arabs and the Israelis.

# Canada to pursue oil pipe plan

By Our Own Correspondent

OTTAWA, Nov. 8.

THE FEDERAL Government would go ahead with its plans to pipe Western Canadian crude oil into Montreal even over the opposition of the Quebec Government, *Energy Minister Donald* Macdonald announced yesterday.

He said that Quebec-Ottawa negotiations on the extension of the pipeline from Toronto to Montreal had been interrupted by the Quebec election and should now be pushed ahead with dispatch.

He indicated that Ottawa is committed in principle to building the line. The Federal Minister said every effort would be made to make arrangements acceptable to Quebec.

He cautioned opposition leader Robert Stanfield, who raised the issue in the House: "Of course, the ultimate responsibility for security rests with the Government of Canada."

Mr. Stanfield said: "Very clearly, if it is necessary for the security of supply to any part of the eastern Canadian market, then ultimately the government of Canada will have to take the decision."

*Meanwhile, in Quebec City,* senior officials in the Resources Department of the provincial government, said Mr. MacDonald's statement raised the possibility that the Federal Government was using the current crisis in oil supplies to establish a national energy policy that might be detrimental to Quebec.

ENERGY FOR LATIN AMERICA

# Framework for development

BY JANE MONAHAN

DELEGATES from 22 South American and Caribbean countries have signed an agreement here for the creation of OLADE, a Latin American *energy organisation* which seeks to provide a working framework for the "integration, conservation, sale, defence and development" of oil and energy resources in the region. It is now up to the *Governments* of each State to ratify the agreement.

At the constituent meeting this month there was a consensus to establish a regional fund in the near future for the development and exploitation of energy resources. As a first step towards the ultimate goal of a Latin American energy market, it was decided that an inventory be made of the continent's energy resources, including oil, hydroelectric power, gas and hydrocarbons, together with a survey of future supply and demand.

Both the fund and inventory were proposed by Venezuela, the leading light in OLADE. Quito will be the executive seat of the new organisation and its *permanent secretariat.* Final authority, however, remains with Ministers representing each member state. They are to meet twice a year, to vote on the political and economic guide*lines of the organisation*, fix a budget, and elect both a president and a so-called committee of energy experts. Two-thirds of the member countries will constitute a quorum.

According to the Venezuelan *Minister of Mines* and Petroleum, Dr. Hugo Perez la Salvia, OLADE is a cooperative and not a supranational organisation. "Venezuela," he says, "does not look for any commercial advantage in OLADE, nor is there any obligation under OLADE to sell oil at low prices to Latin American importing countries." He added that Venezuela together with other countries proposed OLADE "as a way of uniting all Latin American countries in defence of their natural resources."

According to the Ecuadorean Minister of Foreign Affairs, Sr. Horacio Sevilla, OLADE will provide a framework for ensuring *future* supplies of energy and oil resources "first in *individual Latin American* countries, then in the Continent as a whole, and finally for the rest of the world." He also maintains that through OLADE "real liberation" in Latin *America may be* achieved—an opinion that seems to echo the conviction of most delegates that it is only by a concerted policy on primary resources, particularly oil, that terms of trade *favouring the economic development* of Latin America may be arrrived at with the industrialised nations.

Peru's Minister of Mines and Energy, General Jorge Fernandez Maldonado, who presided over *the conference, made no bones* about the political intention of OLADE in his concluding speech. He said the organisation could afford protection against "imperialism, paternalism and ominous hegemony." *He* invoked Iraq, one of the most militant members of the Middle Eastern oil countries, as a model for future negotiations with the major powers.

In spite of these dramatic words and the clear desire for solidarity, the fact is that OLADE —for the moment at least—has little backbone. Unlike OPEC, it attempts to unite only two major oil exporters with a majority of net importers—and the two exporters—Venezuela and Ecuador—do not seem to have any intention of providing the importers with supplies of oil at lower than international prices. Both are members of OPEC, and thereby abide by that organisation's price mechanisms. Venezuela indeed, in line with the Middle Eastern blockade, has shot up the price of its crude by 56 per cent. Any attempts to fix price regulations or control sales are likely to be bitterly opposed by a few *members* of OLADE, even though this is presumably what the majority of the importers probably hope to get out of the new organisation. A delegate from one importing country, Paraguay, even went so far as *to say that without the prospect* of cheaper supplies of oil, his country was not prepared to contribute a single dollar to OLADE.

These contradictions may in time be overcome. It depends on how much oil the Continent will have in the future, of what grade it is, and how accessible it may be to exploitation. In particular a lot depends on the *growing sense of Latin American* solidarity. It was this sense of solidarity that prompted Venezuela and Ecuador first to propose OLADE, even though in the long-term it may well work against their national economic interests. It was also this solidarity that brought all 21 countries together to the OLADE agreement. It remains to be seen whether this impulse carries weight in the first ministerial meeting which is to take place in Buenos Aires in six months' time.

As for the militancy in the *international sphere, it remains* a very remote prospect. Unlike OPEC, which last year covered about 58 per cent. of the world's total oil reserves, OLADE accounts for little more than five —*a situation that may well limit* its leverage for some time.

# Nixon tapes 'inaudible' —secretary

WASHINGTON, Nov. 8.

ꝚESIDENT NIXON'S personal cretary *testified* to-day before ɩdge John Sirica that parts of e subpoenaed Watergate tapes e very poor in quality and at it is humanly impossible hear every word on them.

Rosemary Woods, Nixon's cretary, said that it took her arly a month, working off and ɩ, sometimes at week-ends and far into the night, to type a rough transcript of seven conversations between Nixon and Watergate personalities.

"Sometimes I could hear the President whistling," she said. "Other times there were four *people talking at once and I* couldn't even get one voice."

In Miami "Bebe" Rebozo, a close friend of President Nixon, has filed a $10m. libel suit against the Washington Post. Attorneys for Rebozo filed the suit in the Federal Court on Wednesday, charging that the Post libelled Rebozo in an article in October that claimed he *cashed $91.500 in stolen stocks* in 1968 after being told they were stolen."

Reuter, UPI, AP-DJ

## PENTAGON TO ASK FOR MORE CASH

WASHINGTON, Nov. 8

The Pentagon is putting together a $3,000m.-$4,000m. supplemental Budget request to correct what officials say are deficiencies *in* the U.S.'s military readiness demonstrated by the Middle East war.

Defence officials say that, among ther things, consideration is being given to reopening Lock*heed Aircraft Corporation's* production line for the controversial C5A giant cargo plan to improve the military's airlift capability.

The Pentagon would like the readiness request to be submitted to Congress before the end of the year. However, it still is not in final form at the Defence Department, and once it is, the request will have to be *reviewed* at the Office of Management and Budget and at the White House.

AP-DJ

# Burnham slams critics of witchcraft

By Charles Chichester

GEORGETOWN, Nov. 8.

PRIME MINISTER Fortes Burnham has hit out against critics of his governments move to legalise the practice of obeah in Guyana. Obeah is Guyanese terminology for local witchcraft. He told the National Assembly during the debate on the *President's address on Tuesday* that obeah represents the survival in this era of certain African rites.

He came down hard on critics who argue that obeah should not be legalised because this is a Christian country. "We are a religious nation, not a Christian nation. If Christians are allowed to practise their rites and *mysteries*, why should non-Christians not be allowed to practise their rites and mysteries," he asked.

# Joint U.S.-Iranian deal to build refinery

BY OUR NEW YORK STAFF

NEW YORK, Nov. 8.

THE GOVERNMENT of Iran, in its drive to share in the profits of petroleum refining, has come to a tentative agreement with five U.S. refining companies for the joint construction and operation of what would be one of the largest oil refineries in the world. The refinery would be in Iran and would be 50 per cent. owned by the National Iranian Oil Company and 50 per cent. by the American corporations.

Iran has made it clear for some time that it would like to export more of its oil products in refined form. The initial plan calls for a refinery with a throughput of 500.000 barrels of crude oil a day which compares with Iran's total output of crude of 5.8m. barrels per day and its output target of 8m. bpd. The refinery would cost between $500m. and $750m. and the *initial idea is that it should* start operations sometime in 1977.

The five U.S. companies involved in the scheme are Apco Oil Corporation, Cities Service Company, Clark Oil and Refining Company, Commonwealth Oil Refining Company, and Crown Central Petroleum Corporation. Their co-operation with the National Iranian Oil Company is seen as being particularly timely both in their own interests and in that of the U.S. at a time when Iran, the fourth largest producer of crude in the world, is the only Gulf producer not cutting back on its oil output.

Earlier this year it was announced that Iran was negotiating with the Ashland Oil Company of the U.S. for a 50 per cent. share in Ashlands New York State refining and marketing operations. Iran would offer Ashland guaranteed supplies of crude oil in return. Ashland is hoping for an agreement on this deal by early next year. If consummated it would be the first important involvement of a Gulf oil producer in the "downstream" end of the Middle Eastern oil flow to the U.S.

EUROPEAN NEWS

## Iceland breaks cod settlement deadlock

REYKJAVIK, Nov. 8.

COMMUNISTS in the Icelandic Government to-day cleared the way for a truce in the "cod war" with Britain when they abandoned their stand against proposals on an interim settlement of the 14-month-old dispute.

A resolution passed by the *Central Committee of the Communist Party* during a night-long session here said they unanimously accepted peace terms worked out during talks in London last month by Prime Minister Olafur Johannesson and Mr. Heath.

*Mr. Johannesson*, emerging from a meeting of his seven-member Cabinet, later reported: "My Government reached a unanimous decision to accept the basis for agreement in the fisheries dispute reached by me and Mr. Heath."

*The cod war began on* September 1, 1972, when Iceland unilaterally extended its fishing limit from 12 to 50 miles. Britain and West Germany opposed the move.

The two Communists in Mr. Johannesson's Government—the Fisheries *Minister*, Mr. Ludvik Josefsson, and the Health Minister, Mr. Magnus Kjartansson—had opposed a provision in the peace terms which would curtail Iceland's jurisdiction over British trawlers so that they could not be arrested.

Reuter

## W. Germans clear way for Czech ties

By Jonathan Carr

BONN, Nov. 8.

WEST GERMANY and Czechoslovakia are likely to clear up existing differences between them and establish diplomatic relations by the end of the year, informed sources said to-day.

Chancellor Willy Brandt and Herr Walter Scheel, the Foreign Minister would go to Prague for the signing of a pact normalising *relations and diplomatic* ties would be established at the same time.

This would also give the green light for establishment of diplomatic relations with Hungary and Bulgaria—thus putting the final touches to the bilateral phase of Herr Brandt's *Ostpolitik*.

The breakthrough follows Herr Scheel's visit to the Soviet Union which ended last weekend. During his trip, the two sides were able to clear the way *for a solution to a problem* involving legal aid in East European countries for West Berlin institutions.

With this problem on the way to solution with Moscow, it was widely believed that further efforts for a compromise with Prague on the issue would be worthwhile.

Bonn and Prague initialled their normalisation pact in June after years of complex talks. But Herr Brandt had to cancel a planned trip to Prague in September for the signature after the problem over West Berlin arose.

## BONN NUCLEAR TREATY DEBATE

By Jonathan Carr

BONN, Nov. 8.

HERR Walter Scheel, the West German Foreign Minister, strongly pleaded before Parliament to-day for ratification of the treaty banning the spread of nuclear weapons.

He emphasised that the pact did not rule out eventual establishment of a nuclear defence force by a united Europe—a point on which the opposition is seeking a written declaration.

At the same time, Herr Scheel *said that West German policy* aimed at East-West detente would lose credibility if Bonn failed to ratify the treaty—which has already come into force in 80 countries.

# Multinationals unworried by EEC control plans

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, Nov. 8.

MOST multinational companies are unlikely to be too worried by the Brussels Commission's proposals for controls on their activities, according to senior Commission officials. The plan, published here to-day, calls for co-ordinated Community regulations to cover multinational and *other companies operating in* the Common Market, in many cases on the basis of proposals that have already been sent to the Council of Ministers, but not yet adopted.

Commission officials said to-day that most multinational *companies which had been in* contact with Brussels had refrained from criticising the proposals very strongly. Many companies would prefer a clear, unified set of regulations, the officials said, even if it meant changing the nature of some of their *operations*. The companies thought this would clarify their legal position and help to shield them from public criticism.

Commission experts said that 80 to 90 per cent. of multinational companies behaved "relatively well"—the problem was to bring the remaining less-scrupulous operators under Community control. But the Commission's proposals were not intended to be "spectacular or aggressive," it was said.

The Commission has indeed progressively toned-down suggestions contained in earlier drafts of the document on multinationals. Initial drafts were described as "violently anti-American" by senior officials here to-day, while the final document stresses that there must be no discrimination against companies that have their headquarters outside the Common Market.

The document as finally approved has also dropped earlier more specific recommendations for a new "code of good conduct" for all banks in the community to ensure that they did not act as a cover for operations designed to disguise the origin of funds used for public takeover bids. The document now simply refers to future Commission proposals for community regulation covering stock exchange transactions and the origin of investment funds.

Earlier proposals for new international agreements on the terms under which international *companies would hand over their* assets to developing countries have also been modified following the Commission's final debate on the proposals yesterday. The final draft says only that the methods to be used in such cases of ownership transfer might "possibly" be settled in the context of the community's policies on development co-operation.

The proposals nevertheless point out that in certain cases the economic and financial power of multinationals can lead to imbalanced economic development in the world's poorer countries without necessarily fulfilling real long-term development aims.

# Trade Bill delay 'regretted'

BY LORELIES OLSLAGER

BRUSSELS, Nov. 8.

THE EUROPEAN Commission to-day expressed its "great regret" at President Nixon's request to Congress to delay action on the U.S. Trade Bill.

Although the President has not said for how long he wants action delayed, the Commission assumes that the start of the multilateral trade negotiations will now inevitably be postponed to next summer or even autumn. So far it had hoped that serious negotiations could begin in the spring.

In a prepared statement, the Commission said it attached "the highest importance to the benefits which could derive both for the Community and for its trading partners from successful conclusion of the multilateral trade negotiations" and regretted the delay which President Nixon's decision imposed.

Mr. William Eberle, the President's trade negotiator, made a special trip to Brussels yesterday to inform the Commission before the decision was announced in Washington.

According to informed sources, he repeated the official reason advanced by the White House that in the present delicate state of Middle East negotiations the President did not want to compromise relations with the Soviet Union by a possible Congressional refusal to grant Russia most-favoured-nation treatment. Mr. Eberle did not attach any blame to the Community, the sources added.

But the American step may now offer a convenient excuse for France, Italy and Ireland to drag their feet yet again on the delicate matter of compensating third countries for the trade losses they suffer as a result of the EEC's enlargement. On Tuesday, the Council of Ministers came close to formulating a Community offer for compensation, subject to final agreement by the French, Italian and Irish Governments on a number of sensitive products.

If they wished, the three Governments could now argue that there is no more need for hurry in the compensation negotiations under article 24/6 of GATT which the U.S. wants to see concluded before the start of the multilateral trade negotiations.

# Finance Ministers view anti-inflation proposals

BY REGINALD DALE

BRUSSELS, Nov. 8.

THE NINE Ministers of Finance hold an important council meeting here to-morrow at which they will have three major items on their agenda—the Europe-wide fight against inflation, the Community's proposed move to the second stage of Economic and Monetary Union on January 1, and plans for reserve-pooling *and increased credits for short-*term currency support.

On the first issue, the fight against inflation, the other countries will be waiting with particular interest to hear the views of M. Valery Giscard d'Estaing, the French Finance Minister. President Pompidou yesterday called for concrete decisions by the Nine, and said that "vague recommendations" would not be enough to satisfy European public opinion.

The discussions will be based on the Brussels Commission's annual economic report, which says that, despite the Community's fight against inflation prices are still rising at "an alarming pace."

The Ministers are to continue discussions of how far the first stage of Economic and Monetary Union has succeeded, and try to establish whether or not there is a consensus on the planned *move to the second stage*. Several countries, including France, Germany and the Netherlands, have questioned whether the Community is ready to take the next step while the U.K. and Italy want to press ahead.

The Commission [illegible] stressed the importance of [illegible]ing political decisions on the way ahead before the end of the year. It hinted that if this were done it might not be necessary actually to make the technical *move to the second stage* on January 1.

# Go-ahead for French warplane

BY GILES MERRITT

PARIS, Nov. 8.

THE FRENCH Government has decided to push ahead with the development of an advanced supersonic fighter-bomber which will cost thet country at least £1,000m. over the next ten years.

The aircraft is the twin-engined Dassault-Breguet G8A, which will be far more sophisticated and longer-ranged than the Mirage III-Es and IVs currently in service. Able to fly at Mach 2.5 at an altitude of only 200 metres, it will also be capable of delivering nuclear devices of *up to one megaton*, as opposed to the 10-15 kiloton bombs currently in service.

The G8A mock-ups of which were on show at this year's Le Bourget air show, will come into service by 1980. By 1985 as many as 100 are hoped to be operational as the spearhead of the 550 aircraft that France aims to muster as part of its independent nuclear "force de frappe." The first G8A prototype is expected to fly in 1976.

The G8A development budget *is at present being put at over* £400m., while the cost of individual aircraft is estimated at between £5m. and £6m.

Confirmation of the Government's green light for the project came this afternoon during the National Assembly debate of the *1974 Defence Budget*.

M. Robert Galley told the Lower House that the development of France's nuclear defence capability remained the top priority. At a Press conference earlier he had emphasised that France has no intention of returning under the NATO military umbrella—which General de Gaulle quit in 1966. But it is understood that this does not necessarily preclude France from deciding to take part in the semi-formal "Eurogroupe" under which ten European countries, including the U.K., attempt to cut down on pointless duplications in defence spending.

As expected, the Defence Ministry to-day proposed an increase of just over 10 per cent in defence spending next year. The 1973 budget of £3,450 will rise to about £3,800m., putting France appreciably ahead of Britain's 1973/4 defence estimates of £3,365m.

THE DANISH CRISIS

# A democracy in disarray

BY HILARY BARNES, COPENHAGEN CORRESPONDENT

THE DANISH minority Government of Mr. Anker Joergensen, who to-day called a general election for December 4, has been under constant pressure from the left wing Socialist Peoples Party (SPP) since it came into office in September, 1971. It had a working majority of one, thanks to the 17 members of the SPP, and the SPP *could thus exercise* a stranglehold from outside.

As a result, Mr. Joergensen's Social Democrats became demoralised, unable to decide whether to turn left or stick to the middle of the road. Finally, Mr. Erhard Jacobson, a right wing member of the party, decided he had had enough of truckling to the SPP. He resigned from the party, removing the Government's parliamentary majority.

*Mogens Glistrup: remarkable support.*

## Worried

Leading politicians in all parties are extremely worried about the condition of Danish representative democracy. There is a clear danger that the fragmentation of parties in the Folketing (Parliament) could be made even *worse*. *Traditional party* loyalties have splintered over the past year, reflecting, as a political historian, Mr. Tage Kaarsted said to-day, a deep dissatisfaction with the way the politicians have run the country.

This has found expression in public opinion polls, especially remarkable is the support which *is going to a party formed last* spring, by Mr. Mogens Glistrup, the Progressive Party, which advocates the virtual abolition of income tax and massive cuts in the public sector bureaucracy. At its peak in the summer the Gallup poll gave this party 26 per cent. It has stabilised at 12 to 14 per cent., which gives it the same sort of following as the opposition Conservative, Liberal, and Radical parties. Mr. Glistrup might even finish second to the Social Democrats unless, as is always possible, he runs out of steam during the campaign.

The Social Democrats, the largest party since the 1920s, have seen their support slip from 37.3 per cent. in the 1971 election to only about 28 per cent. in the most recent polls. They have not done as badly for 50 years.

If the polls are anywhere near accurate, at least seven parties will be represented in the new Folketing compared with five at present. If the three opposition parties gain a majority over the Socialist bloc they will try to form a coalition, party leaders said to-day. If not, a coalition of the Social Democrats and one or more of the other parties is likely.

The election will probably be fought mainly on the issues of public expenditure, taxation and the need for a Government with a stable majority.

The Progress Party has obtained its success from public dissatisfaction with high taxation and the fact that families in the ordinary wage-earning class often find that marginal tax rises to 80 per cent., 90 per cent. and occasionally above 100 per cent when their income increases. OECD figures published last week showed that tax as a proportion of GNP is higher in Denmark than in any other member country.

## Applause

The election announcement was greeted with applause on the Copenhagen Stock Exchange and the share market moved up undoubtedly an accurate reflection of how business feels. The Social Democratic Government has failed to improve Denmark's extremely serious current balance of payments deficit problem and it has introduced reforms and failed to control inflation which together means that wage costs this year are 20 per cent. above the rates of last year.

The election could bring the end of Mr. Joergensen's brief career. He was appointed Prime Minister a year ago, having never held political office before. Previously he had been head of the metal workers' union. He did not make a big success of the job, managing to offend many of his own supporters by a lack of political tact.

# Vorster warning on African guerillas

RUNDU, Nov. 8.

SOUTH AFRICAN Prime Minister John Vorster told Southwest African tribesmen to-day that African Nationalist guerillas were "not out to liberate you or any other nation... they are out to get your land."

Opening the second legislative council of Kavango, a semi-autonomous homeland in the northeast of the territory, Mr. Vorster said South Africa noted with appreciation "the firm stand taken by the people of Kavango against terrorism."

He went on, "deplorable deeds against innocent people are committed daily. Make no mistake. What these terrorists are after is not to liberate you or any other nation.

"They are after your land, and to achieve their aim they are trying to create disorder and division among the local population."

Mr. Vorster said that "thanks to your people's co-operation in withstanding this danger" order prevailed in Kavango. But, he added, South Africa "will always support you against any attempt at subversion that might be directed against your country."

Mr. Vorster said the Kavangos, the third largest population group in Southwest Africa after the Ovambos and Damaras, would "go slowly but surely preparing the way for the further development of your people in various spheres."

He said that, in accordance with his Government's policy of creating separate, eventually independent, ethnically-based nations, the South African Government representatives would be withdrawn from Kavango as soon as local people attained the necessary qualifications to fill their posts.

He warned that there would be those, both inside the homeland and from outside it, who would try to obstruct the development of Kavango, which was formed in 1970 and given limited internal self-government last May.

But he gave the assurance that "although your country is now a self-governing territory and you will be acting more independently, my Government will, as in the past, give you advice and assistance whenever necessary . . . we will not leave you in the lurch."

Speaking after Mr. Vorster, the Chief Minister of Kavango, Mr. Alfons Mayavero, said that all the people of Kavango asked from "countries and newspapers" beyond the homeland's borders was to be left in peace so that they could work out their own salvation.

"We are convinced that the policy the (South African) government is following in its development of the homelands is the right one.

"That is why we stand by you in this regard, and we hope that our action will be our guarantee to you in the future," he told Mr. Vorster.

Kavango has a population of about 50,000. Just over 66 per cent. of the 13,400 eligible voters cast ballots in the homeland's first election last October — in striking contrast to the embarrassingly low 2.5 per cent. poll recorded in a similar election in the neighbouring Ovambo homeland.

● UMTATA November 8: The first "summit" meeting of the heads of South Africa's Black Homelands was formally opened to-day—on the pavement outside a black motel here.

Chief Lucas Mangope, Chief Minister of Bophut Hatswana, delivered his short opening address outside the hotel — venue of the conference — because the hotel management would not allow white newsmen to enter the building.

Chief Jerry Moshesesh, Minister of the Interior of the Transkei, whose head, paramount Chief Kaiser Matanzima is host for the meeting, apologised to the white newsmen but said the situation was not of the organisers' making but due to the segregation laws of the Republic.

In his address, Chief Mangope said that "the official policy of South Africa polarises on the basis of colour. Our policy is one of dialogue."

The homelands' leaders are expected to work towards a unity of purpose at the two-day conference and Chief Magope said the indignities, deprivations, inequalities and lack of opportunities suffered by blacks in South Africa were all the same.

"Our objectives are obviously to find solutions to these problems," he said.

Although the black leaders were not going to agree readily on many of the issues, he added, "We believe the coming together of African leaders in this our lovely South Africa to share our visions and ideas will put us in a position to fight the cause of the oppressed black man in South Africa."

After his address, the black leaders went into a hall inside the hotel and only black journalists were allowed to wait in the foyer. Chief Moshesesh said statements would be issued to newsmen from time to time.

In notes released here to-day, Chief Gatsha Buthelezi of Kwazulu, one of the most outspoken of the leaders, said the black people of South Africa had nothing to lose and everything to gain by using the idea of a Black Federation to focus their attention on black unity rather than on ethnic groupings.

Reuter

# Ghana has August trade deficit

BY CAMERON DUODU

GHANA HAD a trade deficit of [illegible]m. Cedis in August this year. It is the first time a trade deficit has been registered since the National Redemption Council (NRC) came to power in January last year. Imports for August amounted to 52.6m. Cedis while exports totalled [illegible]8m. Cedis.

However, there was a greater trade surplus in the period January-August this year than there was last year—153m. Cedis against last year's 133.7m. Cedis. Imports were worth 345.6m. Cedis and exports 498.6m. Cedis.

The August deficit was possibly due to the delay of the 1973-74 budget, which was not presented until the end of that month. Export figures for the month are the lowest registered this year and show clearly that exporters were biding their time in order to benefit from any budgetary measures that might boost exports.

August is a lean month anyhow, coming as it does a few weeks before the opening of the main cocoa purchasing season. It is significant, though, that the import figure for the month, 52.6m. Cedis, was the largest on record since January, 1973. That month, the last in which the deposed Busia regime operated and when the open general licence system was the norm, saw an import figure of 63.2m. Cedis. It is true to say, therefore, that gradually more imports are flowing in, and that the trend is likely to continue, thanks to the substantial reserves that have been built up over the past 18 months.

# Viet Cong 'third war' has started, says Saigon

SAIGON, Nov. 8.

THE VIET CONG said to-day more than 100 people were killed or wounded and 167 houses were destroyed in South Vietnamese bombing raids on two Viet Cong towns yesterday.

A Viet Cong spokesman told reporters by telephone from the Viet Cong compound here that 32 people were killed and 70 wounded in a four-hour daylight strike at Loc Ninh and Bo Duc.

He said that at Loc Ninh—one of the two big towns captured by the Viet Cong in last year's offensive—the central market and a nearby village were hit by 120 bombs. There were also direct hits on Loc Ninh's infirmary.

The South Vietnamese command has flatly denied that any civilian areas were hit. The command spokesman said today 35 military structures were reported destroyed by pilots as well as two anti-aircraft gun-sites outside Loc Ninh.

Government spokesman Mr. Bui Bao Truc, expressing the government's growing alarm at the deteriorating situation, said: "What is usually referred to as 'the third war' in Vietnam has actually started. They (the Viet Cong) are clever and this time they haven't opened war fronts everywhere.

"Recent Viet Cong military actions cannot be called cease-fire violations any more—they involve battalions and regiments, and tanks, heavy artillery and missiles," he said.

Meanwhile reports from Phnom Penh say that Government troops have withdrawn from the town of Srang, which has been under insurgent pressure for the past three weeks.

The Cambodian command today said the troops withdrew two days ago from Srang, 23 miles south west of Phnom Penh, to join up with other units in the nearby towns of Kompong Tram and Kompong Speu.

Reuter

A meeting in Paris next week is going to show how relations between France and her former African colonies have changed

# An end to intimacy

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

IT WAS JUST a year ago that President Pompidou set out on his travels to French-speaking West Africa and was greeted by some pretty tough talking from a number of his hosts. President Eyedema of Togo for example bluntly told the French leader that he did not think the franc zone arrangements between his country and former French colonies "corresponded to reality." Even the most moderate African politicians agreed that after over a decade of independence, France and Africa together should take a hard look at their post-colonial relationship.

## Summit appeal

The reappraisal has been taking place, if in a fairly piecemeal fashion, over the past 12 months. But now, with a meeting in Paris next week between francophone leaders and members of the French Government, comes the stocktaking. Probably not since independence will so many African leaders gather in Paris at the same time, for in spite of the intimate, Franco-African relationship of Gaullist days, the "French Community" has never had the equivalent of the Commonwealth leaders' conference.

The Commonwealth "summit" idea has always had its attractions for some French-speaking African leaders, and those who suggested the present meeting—among them President Senghor of Senegal—certainly had it in mind at the recent Ottawa conference, whose informal and relaxed atmosphere was well reported in francophone newspapers. To the extent that next week's meeting apparently has no formal agenda, and is intended to be at Heads of State level, the Commonwealth parallel is apt.

But there the resemblance is likely to end. There is no evidence that Pompidolian France is interested in reviving the abortive Gaullist French Community and despite President Senghor's attachment to the idea, there is no groundswell for a francophone Commonwealth in Africa either. Next week's meeting, exceptional though it is, is more likely to appear in retrospect as signalling the end of the intimate relationship than it is to mark a new beginning.

This does not mean that the assembled leaders will not have a great deal to discuss, although precisely what gets put on the agenda will be determined by who turns up on Tuesday. Even at this late stage the list of participants is uncertain, illustrating in its own way the disarray of the once closely knit Franco-African community.

It can be confidently predicted that the two states that will definitely be absent will be Mauritania and Madagascar, both of which have left the franc zone in the last year, and which now have only the loosest of co-operation agreements with France. But each of the former French colonies has revised or will shortly negotiate revisions of its own bilateral "co-operation" agreements with France, while one or two—such as Chad, and possibly Congo-Brazzaville—currently have poor relations with Paris and may not attend. Others however, which were not French colonies but for political or economic reasons are interested in closer relations with France may be present—Mauritius is an obvious candidate in this category, but the former Belgian mini-states of Rwanda and Burundi may also decide to attend.

Three subjects—the revised co-operation agreements, the future of the franc zone and the future relationship between Africa and the European Community—are likely to dominate the discussions. It seems probable that the first will be fairly simply disposed of.

France signed so-called co-operation agreements with all of its former colonies (except Guinea) when these States became independent in 1960. To the British mind, these agreements were extraordinarly formal—they covered everything from education and aid to (in most cases) defence. They included provisions whereby, for example, the African State contracted to have a French principal of the local secondary school or university. But in the last 18 months, France and the African States alike have recognised that these agreements are anachronistic. Bilateral negotiations are currently putting something much looser and more relevant in their place: this next week's meeting is likely to do little more to welcome this turn of events.

## Franc zone

The problem of the franc zone is tougher. Mauritania and Madagscar have left principally because they objected to a situation in which France backed their currency in return for ultimate control of their monetary and financial policies. A number of other States, while recognising the advantages of being free of real balance of payments problems, have been irked by the constraints of the franc zone, and have been unhappy, too, at their powerlessness (shared it should be said by other African States which have their own currencies) on the international monetary scene.

In the past year, there have been administrative reforms in the two franc zone African groups (Equatorial and West Africa) and there has been some slight easing in the extremely conservative credit regulations. But while it is doubtful whether these have yet gone far enough for the critics of the system, it must also be doubtful whether France is prepared to envisage a more open arrangement which would combine (for the Africans) the advantages of having their currency backed by the French franc with the freedom to control credit and currency issue which they would have with their own central banks.

The third issue—that of the future relationship between Africa and Europe—is likely to prove less contentious now than six or nine months ago. All those states attending (with the exception of Mauritius) have been associated with the EEC since its inception, and they have always been concerned that with Commonwealth Africa being offered association as a result of British entry, they will get no fewer privileges (in aid and trade) than they at present enjoy.

M. Pompidou is likely to repeat that assurance. But the possibility that there will be a "ganging-up" of France and francophone Africa on the association issue is now improbable, largely thanks to the series of meetings between anglophone and francophone African states over the past few months which has seen the emergence of a common African position on association.

There are other questions which the heads of state will want to discuss, not the least urgent being the drought conditions and continuing relief needed by a number of the states present including Mali, Upper Volta, Niger, Chad and Senegal. French aid will continue to be as, if not more, important than that from the EEC or other donors in this respect as in many others.

Next week's Paris meeting will, for the African states, underline the continuing importance of their French connection. But it will be very surprising if it does not also reflect how times have changed, and how the links are loosening.

# Kenya plans to double production

By John Worrall

NAIROBI, Nov. 8.

THERE IS to be heavy emphasis on industrialisation in Kenya's next four year development plan, which will be announced next month. The Finance Minister, Mr. Mwai Kibaki, said to-day that industrial production would be doubled, and there would be greater scope for development. "We are seeking partners to set up joint industrial ventures with us in Kenya—whoever comes first will shut out others and get protection," said Mr. Kibaki.

He said that existing investors were happy with the protection they were getting and with the new export incentives. Five more industrial estates, he said, were to be set up in Kenya, after the success of the industrial estate in Nairobi. There, of 40 new industries started, only three had not succeeded and 10 had grown so big that they had had to move out.

Mr. Kibaki said the economy as a whole was picking up. "We have had a beautiful year with very good earnings from tourism amounting to roughly £25m. gross, with 60 per cent. being net earnings." Meanwhile one big industrial development forecast here is the establishment of a commercial vehicle assembly plant. Some of the leading motor traders in Nairobi are likely to form a consortium to run this.

## DACCA PREPARES FOR CYCLONE

DACCA, Nov. 8.

PRIME MINISTER Sheikh Mujibur Rahman has ordered nationwide preparedness for "great danger" following a weather station report that a cyclone would hit the Bangladesh coastline to-day "with full fury."

Satellite pictures at the atomic energy ground station here located the storm 450 miles south-west of Chittagong this morning and said it was raging towards the coast at 95 mph.

The station said the cyclone would be accompanied by a tidal wave about 25 feet high.

Government relief agencies and 20,000 Red Cross volunteers last night started a massive evacuation of people from the country's five offshore islands and coastal zones thought to be in the path of the cyclone.

Navy patrol boats to-day went in search of 127 fishermen who are feared to have been caught out at sea by the storm.

Almost exactly three years ago at least 1m. people are believed to have died when a wall of water whipped by hurricane winds slammed into the Ganges Delta Area.

Reuter

## THE MIDDLE EAST

# The price of peace could be a lost General Election for Mrs. Meir

THE ISRAELI Cabinet now finds itself in the painful position of having to take what may be the most important decisions in the history of the State at a time when it faces *the prospect of defeat at the* polls next month. Yesterday, as a result of Dr. Kissinger's mission and Big Power pressure, it seemed that the deadlock between the Egyptians and the Israelis at the ceasefire might have been broken.

But the Prime Minister, Mrs. Golda Meir, and her colleagues of the Labour Alignment know that their unity is likely to be strained, and their prospect of electoral victory jeopardised, as a result of the tension between American demands for compromise and their domestic public opinion.

"We are all hawks now," an Israeli diplomat snapped at me three weeks ago when I suggested that the shelling of Damascus—then being widely discussed—might be counter-productive. This official, an aide of Mr. Abba Eban, the Foreign Minister, was of course talking in the middle of a war which had given the previously complacent Israelis a bad *fright. That man used to be a* dove; his answer was significant of the mood of Israel to-day.

Psychological shock arising from the Egyptian-Syrian assault and the grim slog of the 16-day war immediately intensified two currents in Israeli thinking. On the one hand, consciousness of the need for a real and durable peace settlement was heightened after a period during which public opinion had to a large extent been lulled into the comforting, though illusory, belief that Israel could stand firm on the *de facto* border established in *1967. On the other hand the* trauma—especially the Syrian advance to within a few kilometres of the pre-June War ceasefire lines—strengthened the demand for those "secure and defensible borders" that have been central to Israel's political and diplomatic stance over the past six years. From the outset of the war the argument has been that the *extent of the Arab penetration*, especially into Golan, has proved the inadequacy of the ceasefire lines of 1949-67.

Frequently these two trains of thought co-exist and can be clearly articulated in one and the same person. But, when confronted with the prospect of major peace negotiations, they must be seen as contradictory. *Just how the contradiction is* resolved and expressed in the voting at the General Election now scheduled for December 31 will have a vital bearing on the chances for peace in the Middle East.

With the diplomatic fronts so fluid it would be rash to draw hard conclusions at this stage. However, it is clear that since the ceasefire the Israelis' preoccupation with the fate of their prisoners-of-war and the maintenance of their grip on the Egyptian Third Army has overwhelmed, almost to the point of obscuring their concern and hope that the golden opportunity for reaching a peace settlement might be grasped.

Without doubt the deadlock over the UN call for withdrawal to the October 22 ceasefire lines and the exchange of prisoners-of-war has so far played into the hands of the Right-wing opposition parties which in September grouped themselves into the Likud ("Unity") Bloc. Similarly, the ruling Labour Alignment and its coalition partner, the National Religious Party, may yet be pushed by public opinion into a tougher stance against U.S. pressure for compromise on the more substantive issues that will arise in peace negotiations.

The Likud's components—*the Herut and the Liberals* (which were formally allied under the Gahal label), the State List and the Free Centre—have always taken a tough and intransigent line. For security reasons they have argued against withdrawal from the Golan Heights and Sinai. Philosophically and politically, they have been adamant about the retention *of the West Bank of Jordan* which is seen as an indivisible part of Eretz (the Land of) *Israel*, the hazy geographical concept which derives from the Bible.

The Gahal, it will be recalled, withdrew from Mrs. Meir's Coalition Government in August, 1970 when it accepted the peace "plan" put forward *by Mr. William Rogers, former* U.S. Secretary of State, mainly because of its objections to the provision that negotiations should be on the basis of "Israeli withdrawal from territories occupied in the 1967 conflict." The Likud partners also have a more liberal economic policy favouring the private sector and want to put curbs on State activity. But for the time being domestic factors are of minor importance.

If there was a reasonable chance of it forming a Government, the Likud could bank on the support of the National Religious Party which, as one of its Parliamentarians put it to me earlier this year, "would not be able to form part of a Government which decided on withdrawal from Judea and Samaria." Efforts by the NRL to merge with the smaller religious parties, Agudat Israel and Poalei Agudat Israel have not succeeded, but in a major redeployment of Parliamentary forces they might be expected to join in a coalition with the Likud Bloc.

Already, the Likud has capitalised on the Government's failure to make adequate preparation for meeting the Egyptian-Syrian attack and its compliance with the UN ceasefire resolution. If, as seems probable, further *concessions* are wrung by the U.S. then it could become the focus of greater support. Looming in the wings, meanwhile, is General Arik Sharon, the commander of the Israeli forces which established and expanded the bridgehead on the West Bank of the Canal.

This hawkish war-lord emerged as the Israeli hero of the war despite the fact that *his name and face were* eliminated from the news media by official censorship.

by RICHARD JOHNS

It must be assumed that the blackout of his name long *after the "task force" had* consolidated its foothold was imposed for political reasons by Mrs. Golda Meir's Government, anxious to minimise the kudos which he and the Likud might gain from his exploits.

It was in September that General Sharon, only three months after his formal retirement from the army, played the key role in the creation of the Likud bloc which will present a common list of *candidates at the General* Election. Even before the war it was acknowledged that he would be one of the Right's biggest assets at the polls.

As a newcomer to Party politics (though his political sympathies were known before he was thwarted in his ambition to be Chief of Staff) he was appointed as the Liberal Party's campaign *leader. Well-known for his* exploits in 1956 and 1967, he was reckoned to have shown an astute assessment of public opinion—which was impatient *with the fragmentation of the* opposition—and skill in exploiting it to bring about a union of the factions.

Under the titular leadership of Mr. Menachem Begin, the new Likud bloc made only marginal gains in the elections for the Histradut, or trade union movement, in September, increasing their share of the vote by less than 1 per cent. to 22.7 per cent. The actual merger had been marked by some *agonising indecision* by Mr. Shmuel Tamir, leader of the Free Centre. On the actual Histradut polling day he declined to sign the agreement, prompting accusations of "treachery" from Sharon, before he relented.

Mr. Ezer Weizman, former Air Force Commander and another figure with a widespread political appeal, was so disgusted *that he decided not to stand* for the elections.

This friction will not have helped in the Histradut elections, but this was hardly the forum in which the Right was expected to make a substantial advance. A much more significant feature of the Histradut poll was the decline in the Labour Alignment's share of the vote from 62 per cent. to 58 per cent. On the wider national scene the general assumption before the war that the broader opposition grouping would present a real challenge to the Labour Alignment.

The Likud was strengthened by a number of defectors from the Labour party who switched their allegiance because of their opposition to territorial concessions. They are to be represented on the joint Likud list by General Abraham Yoffe who earned fame in the 1967 conflict as a divisional commander in Sinai.

The Labour Alignment contains a fairly broad consensus ranging from the Left-wing Mapam through the three factions of the Labour Party—Achdut Ha'avoda whose outstanding figure is Mr. Yigal Allon, the Deputy Prime Minister; the mainstream Mapai, which includes most of the leadership; and the Rafi led by Mr. Moshe Dayan, the Minister of Defence.

The followers of Mr. David Ben Gurion, the former Prime Minister and the colossus of Israeli politics, who broke with the Labour Party and after the 1965 elections formed the Rafi. The splinter group joined the coalition just before the June War *and rejoined the Labour Party* early in 1968—but only after a split had resulted in the formation of the State List, one of the components in the Likud. Is is from this wing of the Alignment that the Right would expect to win most votes.

Until July the biggest political issue dominating the elections was the extent and *rate of Jewish settlement* in the Occupied Territories, with Mr. Dayan pressing for an accelerated development against the more cautious attitude of Mr. Pinhas Sapir, the Finance Minister, and Mr. Eban.

Eventually, a compromise formula was adopted favouring a steady increase in settlement. It was seen as a triumph for Mr. Dayan. The challenge of the Right was undoubtedly a factor in bringing about agreement on a "maximalist" approach and indeed, over the past four years the Labour Party has drifted to the right on territorial issues. Once the new programme was decided—*allowing Jewish settlements* to be increased from the present 44 to 79—it seemed that the electoral battle between the Alignment and the Likud would centre around domestic issues, in particular economic and social policies.

Assuming that the election is held on the rescheduled date, it must inevitably be dominated by the terms of the peace settlement—the basis of which is now being discussed with Dr. Kissinger — in particular, the borders, security arrangements and guarantees.

In this situation it is possible to see two different scenarios emerging. There could be an early and promising start to the *negotiating* process, with the U.S. and the Soviet Union offering the kind of guarantees which could persuade the Israeli consensus to agree to territorial concessions necessary for any settlement. Most observers would argue that the prospect of a real peace, involving some sort of *direct negotiations* ought to work so as to help Mrs. Meir back to power.

But if the concessions required of Israel prove to be too stiff for the mass of the electorate to accept, even under the toughest American pressure, such as an open threat of an arms cut-off, there could well be an Israeli retreat en masse into a mental stockade and the rapid emergence of what could only be described as a Massadda complex. This is the point where one would see the prospect of the Right winning the election. Indeed, the "hawks" are now so dominant in Israel that Mrs. Meir may even feel that it is impossible for her to enter into substantive negotiations before the poll.

Before her hectic departure to Washington last week the Likud issued a statement advising her to tell President decisions until after the General Nixon that Israel could not commit itself to far-reaching eral Election.

Clearly, the Likud is unlikely to smooth her path over the coming weeks, when the Government will be forced to defend itself on two fronts: first about its conduct of the war, which must include the failure to take adequate measures immediately before the outbreak of the war; and secondly, about its ability to make a peace settlement satisfying what the electorate sees as its security needs.

On the first, there are signs that the reputation of Mr. Dayan, who in the past has provided Mrs. Meir and the public with the greatest assurance on security matters, will in the end turn out to have been tarnished, although so far *there has been the greatest* reluctance to blame him. On the second, the key question must still be — despite the initial progress made by Dr. Henry Kissinger — how tight the U.S. will apply the screw and at what point the Israelis will dig their heels in. If the pressure is too great then the Likud could well take power and stand, backs to the wall, ready for a new world crisis which would, among so much else, obviate the need for Israeli concessions.

### STATE OF THE PARTIES (1969 election)

| | % | Seats |
|---|---|---|
| Labour-Mapam Alignment | 46.22 | 56 |
| Arab List affiliated to Labour | 3.51 | 4 |
| Gahal (Herut and Liberal Parties)* | 21.67 | 26 |
| State List* | 3.11 | 4 |
| Free Centre* | 1.20 | 2 |
| Independent Liberals | 3.21 | 4 |
| National Religious Party | 9.74 | 12 |
| Agudat Israel | 3.22 | 4 |
| Polei Agudat Israel | 1.83 | 2 |
| New Communist List (Rakach) | 2.84 | 3 |
| Israel Communist Party (Maki) | 1.15 | 1 |
| Ha'olam Hazeh (New Force) | 1.23 | 2 |
| Others | 1.07 | — |

* Members of the recently formed right-wing Likud Bloc.

# Peace conference 'could be under way in 15 days'

BY WILLIAM DULLFORCE CAIRO, Nov. 8.

IF THE ISRAELI government accepts the "package of ideas" carried to it yesterday from Cairo by U.S. Assistant Secretary of State Joseph Sisco, a middle East peace conference could get under-way" in 15 days or so," a senior Egyptian official said here to-day.

The package, supposedly includes a compromise proposal for the deadlocked ceasefire dispute under which a corridor would be opened through the Israeli west bank force to carry non-military supplies to the encircled Egyptian Third Army.

Egypt would agree to return war wounded and prisoners and to lift the naval blockade of the Bab-el-Mandeb straits at the southern end of the Red Sea, the sources said.

Although full details of the package agreed yesterday between President Sadat and U.S. Secretary of State Henry Kissinger are still known here only to the President and his immediate advisers, government spokesman Ahmed Anis seemed to confirm the compromise reports this morning when he told his daily Press conference that once Israel had shown "very definite respect towards" the security Council ceasefire resolutions, "the wheels will start turning and for all I know we may see the peace conference starting work within a few days."

Mr. Anis warned, however, that "there may yet be another round of hostilities."

A senior official said President Sadat expected to receive the Israeli answer either later to-night or early to-morrow from Dr. Kissinger in Riyadh, where Mr. Sisco will report to him. No details of the package could be released before the Israeli answer was known.

The official stressed, however, that the proposals in what he described as the "Egyptian-American initiative" centred on implementation of Security Council resolution 242, which calls for Israeli withdrawal from all occupied Arab territory. To effect this withdrawal was U.S. policy, the official said.

# Sadat message to Assad

BY IHSAN HIJAZI BEIRUT, Nov. 8.

PRESIDENT ANWAR Sadat has briefed President Assad of Syria on the outcome of his talks in Cairo with Dr. Kissinger.

A message from Mr. Sadat was delivered to President Assad early this morning by Mr. *Ashraf Marwan, the Egyptian* President's adviser on Information, according to Damascus Radio. Contents of the message were not disclosed, but the urgency of Mr. Marwan's trip led observers here to believe that they related to the Sadat-Kissinger talks.

Information from Damascus *obtained* by telephone to-day said Syrian officials were as surprised as the rest of the Arabs by what has been described as the dramatic results of Dr. Kissinger's mission in Cairo and by the decision by Egypt to resume diplomatic relations with Washington, which the late President Nasser broke off in wake of the six-day war in 1967.

That year, Syria followed Egypt's suit in severing ties with the U.S., and thus far Damascus continues to refuse to resume them.

President Assad, it will be recalled, had said Syria was taken by surprise when the Security Council on October 22 called for a ceasefire. The Syrian Government later accepted the ceasefire on the strength of guarantees said to have been given by Moscow to President Sadat that the Israelis would give up Arab territory occupied in 1967.

Informed sources here believe Sadat's message to Assad last night must have talked about reported U.S. assurances to Egypt that Security Council Resolution 338 of October 22 would be carried out, whether *in fulfilling a more stable cease*-fire or an eventual settlement of the Arab-Israeli conflict.

From early this week, Syrian military preparations at the front were going hand-in-hand with Egyptian military preparations on the west bank of the Suez Canal. The feeling then was that Egypt would resume the fighting if the Israelis would not go back to the lines they held on October 22. It was also taken for granted that if the ceasefire broke down on the Suez front, the same would happen on the Golan Heights.

Observers also noted that President Sadat's message to President Assad set out to involve Syria in the consultations with Dr. Kissinger. Although the Secretary of State does not intend to visit Damascus, unconfirmed speculation had it that his assistant, Mr. Joseph Sisco, may go there later. Reports in the Press here to-day say the Shah of Iran is planning a visit to Damascus after he had held talks in Tehran with Mr. Sisco. According to the same reports, King Hassan of Morocco is to pay a visit to Syria soon. The monarch had already met in Rabat with Dr. Kissinger.

On Tuesday, King Hussein visited Damascus and held talks with President Assad. They were reported to have reviewed the subjects the monarch intended to bring up with Dr. Kissinger, who arrived in Amman to-day.

Stressed in the Damascus talks, informed sources said, was the question of Palestinian representation in the proposed peace negotiations. Yesterday, President Assad met in Damascus with commando leader Yassir Arafat and was reported to have briefed the commando leader on King Hussein's views about the Palestinian role in the projected Middle East peace.

Informed diplomatic sources here expect King Hussein and Dr. Kissinger to dwell lengthily on the future of the Palestinians and of the West Bank and the Gaza strip, now under Israeli occupation. The status of east Jerusalem was also expected to be discussed, the sources said.

## ISRAEL DENIES JET DOWNED

TEL AVIV, Nov. 8.

**AN ISRAELI military spokesman here dismissed as completely untrue a Damascus report that an Israeli Phantom jet was shot down by Syrian anti-aircraft defences to-day.**

**A Syrian military spokesman said an Israeli air formation tried to violate Syrian air space in the southern sector of the front when the Israeli "Phantom-type plane" was *shot down*.**

**The Israeli military spokesman said no Israeli air formation made any such attempt and no Israeli plane was shot down in any incident of this kind.**

Reuter

# Meir to see Socialist chiefs in London

BY JOHN BOURNE, LOBBY EDITOR

MRS. GOLDA MEIR, Israel's Prime Minister, is to attend an emergency meeting of the leaders of Socialist International parties in London on Sunday.

The meeting, where Mr. Harold Wilson, Britain's Labour leader, will act as host and take the chair has been called to discuss the situation in the Middle East. Invitations have also gone out to the leaders of more than 20 other Socialist parties, 15 of them in Government.

Others invited include Mr. Willy Brandt, the Federal German Chancellor; Dr. Bruno Kreisky, the Austrian Chan*cellor; Mr. Joop den Uyl, the* Dutch Premier; Mr. Anker Jorgensen, the Danish Prime Minister; Mr. Olaf Palme, the Swedish Premier; and M. Francois Mitterrand, the French Socialist leader.

Mr. Edward Heath, the Prime Minister, who will be in London at the week-end, is expected to ask Mrs. Meir to 10, Downing Street for discussions about the Middle East situation, including the Kissinger peace plan, if she is staying here longer than just *for the Socialist International* meeting.

There was some confusion in Whitehall yesterday about when the Government first knew of the invitation to Mrs. Meir. Certainly the first that 10, Downing Street and Mr. Heath heard about it was when the news appeared in yesterday's evening papers and in Labour Weekly.

## OIL SUPPLIES

# Producers begin to implement 25% cuts

By Adrian Hamilton

**WHILE rumours abounded yesterday in Europe that the Arabs were now considering lifting the embargo on Dutch oil shipments, reports in the** ***industry also indicated that*** **Abu Dhabi, Qatar and other states were now implementing full 25 per cent. cuts.**

**Suggestions that the Arab producers were now about to ease the oil pressure on the West were aroused both by Holland's acceptance of the EEC declaration on the Middle East last Tuesday and the recent signs that Egypt and Israel were close to starting peace negotiations.**

**No confirmation of the reports were forthcoming, however, and the Dutch Foreign Ministry specifically denied that there had been any lifting of the ban on shipments to Rotterdam.**

**In the meantime, a number of Arab producers like Abu Dhabi, which had previously limited themselves to destination embargoes and/or small cuts in production, are now instructing the operating companies to reduce output by the full 25 per cent. agreed in the Kuwait meeting of last week-end. This is expected to increase the total cut-off of Arab oil to a level of 5.8m. barrels-a-day less than September and a dramatic 6.5m. barrels-a-day below November expectations.**

**The effect on Europe could be a loss of some 3-3.5m.** ***barrels per day of its imports,*** **but this will not be felt for some time. Against this background, the so-called crisis committee" of EEC oil experts and the Commission itself both met yesterday in Brussels to review the situation.**

**Meanwhile, France Soir reported that Algeria has notified French oil companies it will have to cut supplies by 25 per cent., despite France's policy of friendly relations with the Arab States.**

**The Indonesian Government, has denied that it has made any secret deal to supply additional oil to the Netherlands, claiming that its current output is fully committed, mainly to Japan.**

## Swiss prepare

**ZURICH: The Swiss National Bureau for Economic Defence has prepared a draft regulation banning Saturday afternoon, Sunday and holiday driving which is now on its way to the Cabinet. A step of this kind, which could possibly come into force the week-end after next, would reduce Swiss petrol consumption by some 7 per cent.**

**SOUTH KOREA, entirely dependent on U.S. companies for crude oil, started a campaign to reduce oil consumption by 10 per cent.**

**THE PHILIPPINES ordered gasoline rationing for private vehicles in the Manila area, shortened the work week for Government employees and cut fuel sales to foreign planes and ships to save oil.**

**BELGRADE: Yugoslavia said it has secured sufficient supplies of crude oil and there is no fear that there will be a shortage of it this winter.**

# Italy establishes fuel commission

BY ANTHONY ROBINSON ROME, Nov. 8

THE ITALIAN government to-day took a significant step towards elaboration of a national fuel policy with the creation of a special consultative commission charged with ensuring adequate supplies of petroleum products and a major role for the state-controlled oil corporation, Eni.

The new commission comprises experts from the Prime Minister's office, planning and budget Ministry (including the head of the Economic Planning Commission (Cipe), Sig. Giorgio *Ruffolo*), Ministry of Industry and that of State shareholdings as well as the president of the Unione Petrolifera (the private oil industry association), Sig. Albonetti and the president of Esso Italiana, Sig. Aldo Sala.

The chairmanship of the commission and control over fuel policy has become a major source of political tension between the socialist and Christian Democrat members of the coalition government. The chairman is in fact to be Sig. Osvaldo Tozzi, chief adviser to the Christian Democrat Minister of Industry, Sig. Ciriaco de Mita, while the staff work will be taken care of by the secretariat of Cipe, which is controlled by the Socialist party.

One of the functions of the new commission will be to map out the enlarged role for Eni which the Socialists insisted upon as the political price of approving the higher price for petroleum products agreed last month.

## Iran talks

Meanwhile, the president of Eni, Sig. Raffaele Girotti, reportedly flew to Iran last week for direct talks with the Shah over complex negotiations for what the Shah himself described in a recent Italian magazine interview as "something very big." This is believed to concern the construction of an oil or gas pipeline from Iran to Western Europe and Italy. However, negotiations are believed to range much wider than this and to include Iranian participation in downstream refining and distribution links.

# Tokyo: Israel ties stay

BY OUR OWN CORRESPONDENT TOKYO, Nov. 8.

JAPAN WOULD not bow to Arab demands to break off diplomatic ties with Israel or provide military assistance to Arab states, a senior Foreign Ministry spokes*man said to-day, commenting on* Press reports that Japan had been offered a deal by Saudi Arabia whereby it could gain "preferred" status as an oil consumer (joining Britain and eight other countries) in return for one or more such steps.

Meanwhile, Chief Cabinet Secretary Susumu Nikaido denied reports here that the Government is considering sending special envoys to Arab oil producing countries.

Japan's four leading economic bodies decided to establish a special committee to step up development of energy sources at home and overseas to cover a prospective shortage of crude oil.

The Federation of Economic Organisations (Keidanren) said the committee will consist of business leaders and energy experts and will be financed by contributions from 50 Japanese industrial firms.

Its main objective will be to promote development of petroleum, uranium and other energy sources overseas through increased *co-operation* with resources-rich countries and by unifying private Japanese development plans into big national projects, Keidanren said.

# Shell chief urges energy study

BY MICHAEL VAN OS BRUSSELS, Nov. 8.

SPEAKING AT A conference here to-day Gerrit Wagner, president of Royal Dutch Shell stressed that an international attempt must be made to find an urgent solution to the world energy problems once the dust of the present upheaval has settled. *He added that the current oil* supply crisis has been necessary to shock people into co-operation.

"We know from bitter experience that nothing gets done without a profound concern being felt." Later he said that the relationship between companies and the producing countries has undergone "such a fundamental change that it is time to review what the companies can do and cannot do." Governments are being involved in the oil industry far more than before, bringing responsibilities as well as opportunities.

# Portugal restricts consumption

BY BRUCE LOUDON LISBON, Nov. 8.

PORTUGAL to-day imposed swingeing restrictions on petrol consumption, and raised prices to record levels.

The Government's action is in response to the international emergency over oil supplies and, in particular, the announcement yesterday of a total trade ban against Portugal by the Arab Oil States. This was imposed because of American use of the Portuguese Azores to airlift supplies to Israel.

A communiqué from the Portuguese Ministry of the Economy to-day stated that henceforth all petrol stations would be closed to ordinary motorists on Saturdays, Sundays and public holidays. The general public is limited to receiving no more than 20 litres of petrol at *any one time.*

# Fresh call to revise firm price contract tendering

BY MICHAEL CASSELL

ANOTHER CALL for the Government to revise the firm price tendering policy came yesterday from a construction industry leader.

Mr. Roger Foster, senior vice-president of the National Federation of Building Trades Employers said in Bournemouth that the two-year firm price period should now be reduced to 12 months and that contracts running over this period should be on "a realistic fluctuations basis."

This move, he claimed, would not only reduce the "great risks" which building companies now run and encourage them to compete for public works contracts but would also result in the buildings going up more quickly and, therefore, at a lower cost.

Mr. Foster expressed surprise at Government concern that prices quoted by builders for some public contracts have risen some 40 per cent. Tenders had to cover existing and future cost levels and even in normal times the risks involved were high enough.

"These are not normal times, however. Over the past year world prices of raw materials have been rising steeply. This has meant that the market prices for such essential items as steel, timber, copper and other building materials has been going up, without warning, at an alarming rate."

Mr. Foster said prices were still continuing to rise at a faster rate than the official price indices were suggesting. At the same time, he added, other costs and charges were going up at home.

## A concession

"How, in these circumstances, can builders be expected to probe into the future and give prices which will remain firm for two years. In effect, the Government is requiring builders to predict the unpredictable. Experience over recent years has made it clear to the industry that this is a dangerous and, all too often, a fatal game to play."

The construction industry has made several attempts in the past two or three years to get the firm price tendering arrangements either scrapped or toned down, but with little success. The Government has consistently claimed that its policy is anti-inflationary and has refused to alter it.

One small concession came in September when the Government decided that in certain tightly controlled circumstances, ex-gratia payments could be made to builders working on fixed price contracts who found themselves in difficulty.

Although the decision, announced by Mr. Paul Channon, Minister for Housing and Construction, is likely to have only limited application, it has been regarded by some as a worthwhile breakthrough.

*Mr. Channon emphasised* that any payments made would be considered against strict criteria and would seldom be made simply because a loss had been *incurred. If a contractor could* demonstrate that he had suffered hardship due to a loss on a contract resulting from circumstances which could not have reasonably been foreseen by any prudent tenderer, it is open to him to ask the client to make an ex-gratia payment.

# Oxford University Press plans move

BY OUR OWN CORRESPONDENT

OXFORD, Nov. 8.

*OXFORD UNIVERSITY Press* is planning to transfer its publishing activities in London to Oxford, following the pattern set by major publishers who have moved their operations out of the capital.

The move, which depends on plans being approved by Oxford city council, is the biggest change in the history of the Press since it opened offices in London in 1880.

Mr. Colin Roberts, secretary to *the delegates of the press, said* a move to Oxford was the obvious one as the Clarendon Press was established in the city.

A new building for the former London activities is planned within the grounds of the press, but could not be completed until 1976.

## Reorganisation

The first steps towards reorganisation will be taken much sooner. The central publishing department will be divided into three divisions, academic and reference; general, including music and children's books; and educational. There will also be *an international division.*

Mr. D. M. Davin, the Oxford publisher and deputy secretary, is to head the academic division, and Mr. John Brown, the *London publisher and manager,* the general division. Mr. Brown will also become a deputy secretary.

*The press is to keep an office* and showroom in central London at Ely House, and its warehouse at Neasden is not affected

# Discussion on Cabinet plans for economy

SIR GEOFFREY HOWE, Minister for Trade and Consumer Affairs, and Mr. Denis Healey, "shadow" Chancellor of the Exchequer, will discuss the Government's policy for the economy in 1974 and Opposition views of that policy, at a two-day conference on "Pay, Prices and the Economy in 1974" being organised by the Financial Times and the Institution of Works Managers, on January 30 and 31 at the London Hilton.

*Speakers will include* Sir Frank Figgures, chairman of the Pay Board; Sir Arthur Cockfield, chairman of the Price Commission; Mr. Tom Jackson, general *secretary of the Union of Post* Office Workers; Mr. Hugh Scanlon, president of the Amalgamated Union of Engineering Workers; Mr. Basil J. Watkins, *works director of Helliwells; and* Mr. G. D. N. Worswick, Director of the National Institute of Economic and Social Research.

NOTICE OF ISSUE | ABRIDGED PARTICULARS

*Application has been made to the Council of The Stock Exchange for the undermentioned Stock to be admitted to the Official List.*

## WEST KENT WATER COMPANY

*(Incorporated in England on 16th April, 1878, by the Sevenoaks Waterworks Act, 1878, the name of the Company having been changed to Sevenoaks and Tonbridge Water Company in 1948, and to the above named by the West Kent Water Order, 1973.)*

**Offer for Sale by Tender of £1,500,000**

**7 per cent. Redeemable Preference Stock, 1978**

(which will mature for redemption at par on 31st December, 1978)

**Minimum Price of Issue—£91.5 per £100 Stock**

This Stock is an investment authorised by Section 1 of the Trustee Investments Act 1961 and by paragraph 10 (as amended in its application to the Company) of Part II of the First Schedule thereto. Under that paragraph the required rate of dividend on the Ordinary Capital of the Company was 4 per cent but by the Trustee Investments (Water Companies) Order 1973 made, subject to the Statutory Instruments Act of 1946, by the *Treasury under the Finance Act 1973 on 3rd August, 1973,* such rate was reduced to 2.5 per cent in relation to dividends paid during any year after 1972.

Tenders for the Stock must be made on the Form of Tender supplied with the Prospectus and must be accompanied by a deposit of £10 per £100 nominal amount of Stock applied for and sent in a sealed envelope to Messrs. Harmood Banner & Co., 34, Farringdon Street, London EC4P 4DL, marked "Tender for West Kent Water Stock" so as to be received not later than 11 a.m. on Monday, 19th November, 1973, being "the time of the opening of the subscription lists," and before which no allotment will be made. The balance of the purchase money will be payable on or before Friday, 7th December, 1973.

*Copies of the prospectus, on the terms of which alone Tenders will be considered, and Forms of Tender may be obtained from:*

LAURIE, MILBANK & CO.,
36, Coleman Street, London EC2R 5AJ.
NATIONAL WESTMINSTER BANK LTD.,
67, High Street, Sevenoaks, Kent,
or from the Offices of the Company, Cramptons Road, Sevenoaks, Kent.

## INTERIM STATEMENT

## C. & H. (HOTELS) LTD

**Interim Report — Half Year 30th June 1973**

GROUP RESULTS

| | £ |
|---|---|
| Turnover | 875,500 |
| Net Interest Payable | 53,900 |
| Net Profit before Taxation | 52,200 |
| Taxation | 24,800 |
| PROFIT attributable to members (after Minority £1,400) | £26,000 |

The results include six months trading of all the Companies *comprising the Group as at 30th June, 1973 except those of* Queen's Hotel (Brighton) Limited whose results are included from its date of acquisition 8th June, 1973.

The results for this half year are not representative of the full year because of seasonal trading in the Hotel Industry. Due to the reconstruction earlier in the year comparative figures have not been given.

FORECAST— The year's profits are forecast at not less than £250,000 before Tax.

DIVIDENDS— *Subject to Treasury approval it is antici-*pated that on that forecast the recommended dividend will be not less than 7%. With the Tax credit attributable this dividend will be equivalent to 10%.

ACQUISITIONS— The Group acquired in July the Hotel de Paris, Cromer for £110,000 and its trading profits already reflect your Directors' confidence in its acquisition. The Company has agreed to purchase for £58,000 premises in Oldham with consent for conversion into a Hotel.

FINANCE— The Company has recently completed a mortgage of £1m. with the capital repayable at the expiration of 10 years. The Company now has available facilities of £850,000 for expansion.

EXPANSION AND PROSPECTS— Negotiations are proceeding for further *acquisitions in line with the Company's* stated expansion policy.

Advance bookings for 1974 are already well ahead of this time last year.

## BRADY

REGD

**PROFITABILITY MAINTAINED AT HIGH LEVEL**

The 38th Annual General Meeting of G. Brady & Co. Limited will be held on November 21, 1973, in Manchester.

The following is an extract from the circulated statement of the Chairman and Joint Managing Director, Mr. A. E. Ross Seymour:

The Company suffered the loss of both its Chairman, Mr. Robert Ross Seymour, and its then Deputy Chairman, Mr. *James Duncan Barnes* on the 19th August and 18th September 1973, respectively. Both have been strong guiding influences, each having participated in the building and developing of our organisation for over 50 years.

With results approaching the *previous* all-time record year, I am pleased to report a Group Profit of £691,699 compared with £688,228 in 1972. The final Ordinary dividend of 12.25% net (3.0625p per share) is equal to 17.50% gross, as *in the previous year.*

During the course of the year we acquired two new Subsidiaries namely, S. L. Dowell (Transport) Ltd. and Charles Smith, Sons & Co., and completed the acquisition of Huggett & Matthews Ltd.

Although the Door and Engineering Division was the section of the Group most troubled by the strike in the Building Industry, prices were maintained at existing levels and this policy paid off in assuring the Division of ample production. Profits of the Merchanting Division were at an all time high while the Process Division produced a satisfactory result almost equalling their top profit. In the Transport Division, the integration of S. L. Dowell has proceeded along very satisfactory lines.

*With a buoyant industry and full order books,* I am optimistic in my outlook for the current year and every effort will be made for increased profitability.

## Christy Bros. Limited

| | 1973 | 1972 |
|---|---|---|
| *Profits before taxation* | £117,852 | £67,066 |
| Profits after taxation | £71,097 | £41,888 |
| Earnings per Ordinary share | 27.40p | 15.75p |

* I am pleased to report a substantial recovery in the results of the Company. Profits before taxation rose from £67,066 to £117,852 and the dividend for the year to 31 March 1973 has been increased to 11·76% net, the maximum permitted.
* The proposed acquisition of Burne Investment Management Ltd. should accelerate the Company's progress.
* A healthy revival in business activity experienced during the year continues at the present time. With continuing National Industrial harmony, I can predict a greater turnover and an improved profit for the current year.

F. V. Mills, *Chairman*

christy Electrical, mechanical and refrigeration engineers.

# A SCHEME FOR OFFICES MOVING INTO THE AREAS FOR EXPANSION

## YOU CAN NOW GET GENEROUS GRANTS:

**If** you have a genuine choice of location between moving to the Areas for Expansion and the rest of the country, and

**If** your move will provide at least 10 new jobs in an Area.

## YOU CAN GET:

**1 Removal Grant.** A fixed grant of £800 for each employee moved with his work up to a limit of 50% of the number of additional jobs being created in an Area.

**2 Rent Aid.** A grant to cover 100% of the approved rent of the premises in the new location. (For a period of up to 5 years in a Development Area and up to 3 years in an Intermediate Area).

Equivalent help will be given where premises are bought rather than rented.

**3 Selective Assistance**—in other forms.

## YOU COULD PROSPER IN THE AREAS FOR EXPANSION

Opportunities for firms moving to the Areas for Expansion are excellent.

The Areas now cover the whole of Scotland, Wales, Northern and North-West England, Yorkshire and Humberside, some parts of the Midlands and much of South-West England.

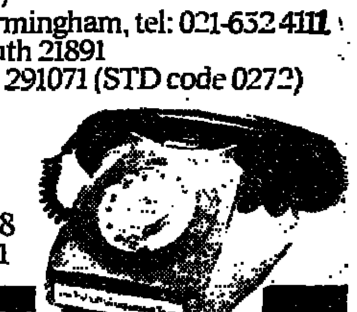
**N.B.** These grants are not available for moves to the North Midlands Derelict Land Clearance Area. Financial assistance is available under separate legislation for moves to Northern Ireland.

## ACT NOW!

Get more details today. 'Phone your nearest Industrial Expansion Team at the number shown here. Or send off the coupon.

**Headquarters. London,** tel: 01-834 2255 ext. 88

**Scotland** Glasgow, tel: 041-248 2855
**Wales** tel: Cardiff 62131 (STD code 0222)
**Northern Region** tel: Newcastle upon Tyne 27575 (STD code 0632)
**North West** Manchester, tel: 061-236 2171
**Yorkshire & Humberside** tel: Leeds 38232 (STD code 0532)
**East Midlands** tel: Nottingham 46121 (STD code 0602)
**West Midlands** Birmingham, tel: 021-632 4111
**South West** tel: Plymouth 21891 (STD code 0752) or Bristol 291071 (STD code 0272)
**London & South East** London, tel: 01-828 4355 ext. 50
**Eastern Region** London, tel: 01-828 6271 ext. 104 or 61
**Northern Ireland** tel: Belfast 34488 (STD code 0232) or London 01-493 0601



To: The Industrial Expansion Team, Department of Trade and Industry, Millbank Tower, Millbank, London SW1P 4QU.

*Please send me full details of the grants scheme for service industries.*

Name________________

Position in Company________________

Company________________

Nature of Business________________

Address________________

FT5/11

**THE AREAS FOR EXPANSION**

ISSUED BY THE DEPARTMENT OF TRADE AND INDUSTRY

# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

**● DATA PROCESSING**

## Speeds the calculations

MICROCOMPUTERS designed to meet the increasing need in engineering, scientific and technical centres for equipment combining ease of operation and programming with powerful and diversified performance in terms of memory, processing capability, and input/output, are being marketed by Olivetti under the code P.652.

Main memory capacity of this microcomputer is 240 storage registers which may be used to hold 240 pieces of numeric data, or 1,860 pieces of alphanumeric data or 1,200 program instructions, depending upon the user's requirements. This allows maximum flexibility in its use as, for example, a 300 step program will take up only one quarter of the memory, and leave space for 180 pieces of numeric data. In binary terms, capacity is over 16,000 bits.

In addition the P.652 is equipped with a 64,000 bit read only memory (ROM), completely separate from the main memory, which allows execution through keyboard or program control of basic mathematical operations, logarithms (base 10 or base e), exponentials, square root, trigonometric functions, conversion of rectangular/polar co-ordinates etc.

Higher performances may be achieved by adding an optional 6,144 bit ROM containing functions that carry out inversion of matrices up to 15 by 15 and calculation of determinant, solution of up to 15 simultaneous equations, statistical functions and operations with complex numbers.

All calculation takes place in normalised floating point notation with 12 digit mantissa, decimal point and sign and two digit exponent and sign ranging from −99 to +99. Cycle time is two microseconds. Print-out is in fixed point notation, but, where an answer exceeds 20 digits, it automatically occurs in floating point notation. Data entry may be in either fixed or floating point notation.

### Instructions

Programming of the P.652 is very simple and economical in terms of the number of instructions used to carry out a calculation. It is possible to program a virtually unlimited number of conditional or unconditional jumps and subroutine calls. All registers may be addressed indirectly.

Programs are stored in the memory initially via the keyboard, or, during normal operation by means of a magnetic card or cards containing previously recorded programs (a card holds up to 300 instructions).

A series of internal checks determine any error condition of the microcomputer (for example, register overflow) and indicate any anomalies in the calculation process. This facilitates the interaction between the operator and the microcomputer with full program control. Recording, printing and "debugging" of programs is straight forward.

Peripherals include a magnetic tape unit. Editor 4ST input/output typewriter, interface for connection to measuring instruments, paper tape reader and punch, serial printer and X-Y plotter.

Significantly, the company has carried out a great deal of programming work in support of the equipment and packages are available to tackle heating problems, closing a traverse, gear design, single-span beams, turbine design, compound interest, mass properties, discounted cash flow, regression techniques, horizontal alignment, etc.

Meanwhile, the company has succeeded in converting the Post Office to the use of visible record minis for the up-to-date handling of payroll procedures for 164,000 postal workers. This will involve the installation of more than 150 Auditronic 770's worth £1.22m. in provincial head offices (102) to automate all phases of the operation.

## French mini offered in Germany

MICRAL mini computers are to be shown outside France for the first time at Systems 73 in Munich (November 27 to 30).

Made by R2E-Realisations et Etudes Electroniques of Avenue de Scandinavie, BP73, 91400 Orsay, France — the mini has been sold to the extent of 500 units in the six months since introduction. Target for 1973 on the home market is 1,000 units for this 8-bit machine whose selling price is below £1,000 for a down-to-earth operational unit.

The designers have kept a number of current industrial and business applications clearly in view as they were defining the characteristics of this unit. As a result, it is specially suited for such applications as stock control, point of sale jobs and so on.

The central processor can handle with up to 7 low or high-speed channels.

Work is in hand on a disc-based operating system.

The company is expanding rapidly with sales for the current year valued at £8m. and for 1974 forecast as £15m.

**● HANDLING**

## Sideloaders keep their balance

DIESEL-ENGINED sideloaders designed to speed up handling by operating without stabilising jacks are now in production at the Leighton Buzzard, Beds., plant of the Lancer Boss Group.

Four models are available in capacities from 7,000 lbs to 16,500 lbs. The two smaller machines—7,000 lbs and 12,000 lbs—can be operated without jacks up to full rating. The 13,500 lbs and 16,500 lbs trucks are fitted with jacks but can handle up to 10,000 lbs at 36-inch and 12,000 lbs at 31-inch load centres respectively without these means of stabilisation.

All four machines are equipped with hydrostatic power steering.

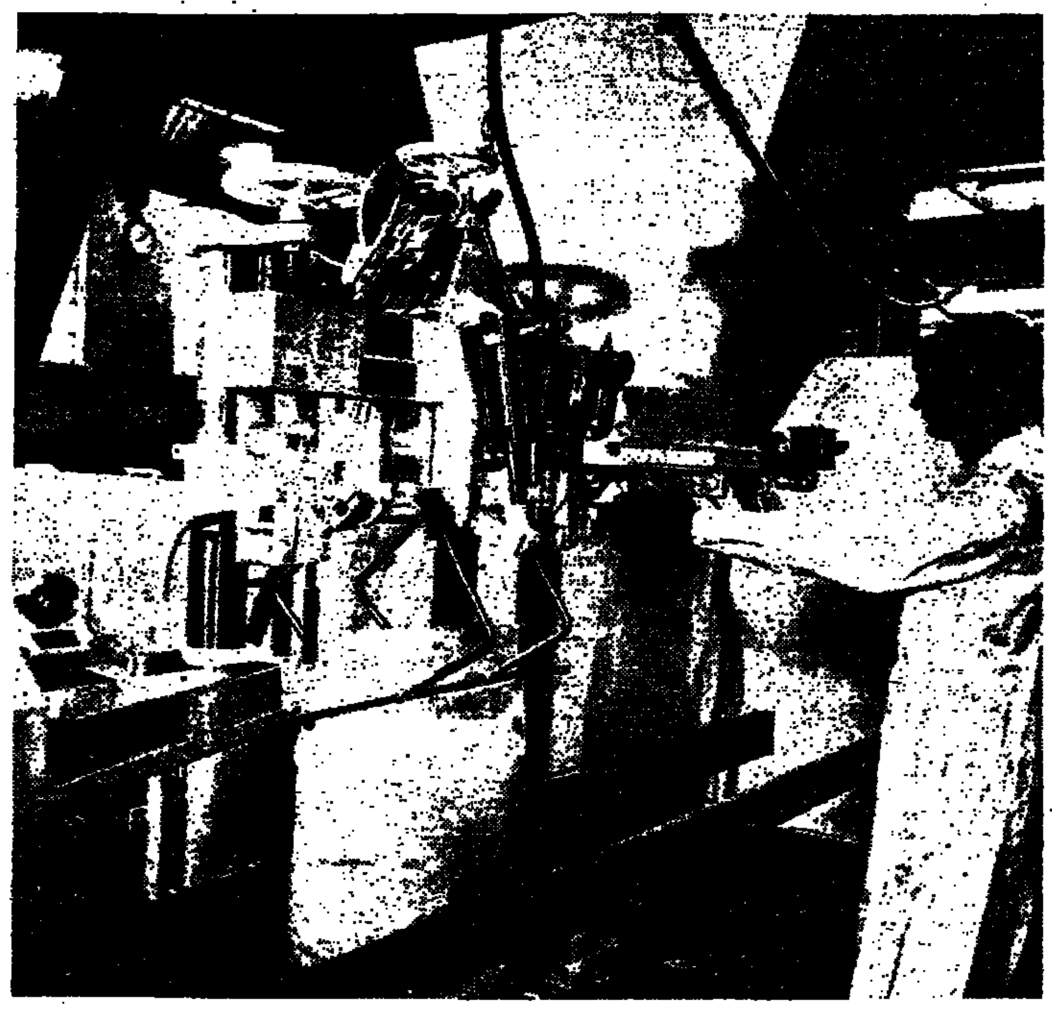
**● TRANSPORT**

## Improved Ford vehicle

THE FORD Transit is now available with front disc brakes, car-style cloth trim for seats, or a 3-litre V6 engine. A new variant—the 100L—is available as a long wheelbase one tonne van.

These and other refinements will be announced by Ford at the Scottish Motor Exhibition at Kelvin Hall, Glasgow (November 9-17).

The 100L variant is derived from the long wheelbase Transit chassis, but features running gear for a high-volume one tonne payload. This new concept will appeal especially to the soft goods delivery trade, says Ford. The vehicle's most recognisable feature is its single rear wheels and unique flush-fitting wheelarch panel.



**Whitehall Machinery, of Bristol, has acquired the sole U.K. and Eire selling rights of this automatic bag-mouth stretching machine. Claimed to be capable of handling virtually any type of bag or sack used for packaging granular or powdered products, the machine is designed to feed into either heat-sealing or bag-stitching machinery so that a packaging line can be completely automatic. Hand-wheel adjustments allow the unit to be set quickly for different bag widths and height. Operating speeds range from 15 to 20 bags per minute.**

**● MACHINE TOOLS**

## Speeds up NC work

POSIDATA has made full-range feed (FRF) from tape a standard feature of all production NC systems.

FRF enables any feed rate to be defined from a tape instruction by means of an f number followed by 4 digits representing the desired feed rate. Thus, f2400 represents 240 inches per minute or 2400 millimetres per minute in metric systems. Posidata has combined with this an improved degree of control of acceleration and deceleration of stepper motors enabling a very high table speed to be achieved. These high speeds are typically 240 inches per minute on most medium-sized milling machines. Five metres per minute is now the standard maximum on metric machines.

Linear and circular interpolation has previously only been available at low feed rates (say, up to 15-20 inches per minute). These features are now achieved at any desired feed rate up to the maximum machine capability. Constant cutter velocity is maintained irrespective of machining angle. When machining arcs, the tangential velocity of the cutter is constant and equal to the f number demanded on tape, even as high as 240 inches per minute. "Ramp down," that is, motor deceleration, is inhibited at the end of intermediate quadrants of a circle again ensuring constant cutter velocity.

Another significant feature of FRF is the ability to match vertical feed rate to spindle speed when tapping. This is particularly useful on drilling machines with a few fixed spindle speeds.

A Grimston co-ordinate turret drilling machine operating in the premises of C. M. Churchhouse, which is using advanced NC methods in the production of lighting fittings, has been modified to tap 1mm pitch holes at a feed rate of 1630mm (64 inches) per minute to match a spindle speed of 1630 rpm.

The control of "ramp up" and "ramp down" also enables a high "hit rate" to be achieved in drilling many closely pitched holes as in printed circuit work. Typically successive moves of 200 per minute can be made at 0.1 inches (2½mm), pitching on any one axis.

**● AUTOMATION**

## All under computer control

AT THE heart of Van Den Bergh's and Jurgens' new warehouse at Purfleet, Essex, is a computer system which controls the movement of pallets into and out of a stacking silo, as well as directing the stacking cranes inside the silo.

The £70,000 system, based on a Honeywell 316 minicomputer, is claimed to be one of the most advanced warehouse control units in the U.K., providing fully automatic control of the pallet-handling process from the time the pallets enter the silo area.

The warehouse stores the Unilever subsidiary's — Stork, Blue Band and Echo margarines, Tree Top soft drinks, cake mixes and cooking oils.

These products arrive in the warehouse from the adjacent manufacturing plant or other Van Den Berghs food factories.

Complexity of the control task which the computer handles is illustrated by the throughput of the warehouse which is designed to handle 70 pallet inputs and 85 pallet outputs per hour continuously, for 24 hours a day.

Apart from the Honeywell central processor with 12,288 words of main memory, there is a disc storage unit with 500,000 characters capacity, two visual display units, an interface which links the computer to four cranes and to other instrumentation, paper tape readers and a card reader.

**● ELECTRONICS**

## Circuits handled safely

SAFE HANDLING of dual in-line (DIL) integrated circuit packages is claimed for equipment designed and made by an Australian company for local and overseas markets. DIL handling tools were developed by McM Electronics Components of Clayton, a Melbourne suburb.

The tools comprise a loading base to remove DIL's from manufacturers' packing tubes, a "Dipinjector" which assembles the DIL's to the printed circuit board and a "Dipextractor" for removing DIL's.

Most manufacturers' tubes slot into the loading base to present one DIL at a time. The bases would be mounted on a base or bracket inclined at 45 deg. A bracket is available from McM which takes three bases side by side to dispense different types of integrated circuits in use.

The Dipinjector device picks up the DIL's and compresses the leads to the correct pitch for insertion in the printed circuit board or sockets. Manufacturers supply DIL's with the leads splayed 0.350 inch PCB sockets have a 0.300 inch pitch.

The use of the Injector and loading base reduces assembly time by up to 75 per cent. Damage to the lead bonds and adjacent components is eliminated.

The extractor is a spring-loaded device with thin blade-type legs which clip on to the body of the circuit, even in the most crowded and inaccessible situations.

When a desoldering iron is applied to the solder at the base of the DIL on the reverse side of the PCB, the extractor instantly plucks it cleanly from the board as the solder wets.

Further information is available from McM Electronic Components, 19 Carinish Road, Clayton, Victoria, Australia, 3168.

**● PRODUCTS**

## Renewable brushes

INEXPENSIVE BRUSHES which can be "sharpened" rather like pencils when they become clogged or damaged are being introduced by Leng-Armac, manufacturers of Vulcaset brushes and Wonderwork paint rollers. They are suitable for a wide range of purposes in a variety of industries.

Named "Trim-it," the brushes are produced by a new method developed by ICI Fibres. Continuous filaments of synthetic fibre are encased and compressed in a tube of tough and durable Alkathene which also serves as the handle.

The synthetic fibre filaments extend for the full length of the tube. The brushes can be given a new lease of life simply by cutting off the old exposed filaments with a sharp knife or scissors and peeling back the sheath to reveal a new section. This process can be repeated until the entire length of the brush has been used up.

Trim-it brushes are available in a range of sizes from 7 mm to 17 mm diameter and can be supplied in overall lengths from 50 mm to 200 mm with any trim length. The standard quality is medium, but a very soft quality is also available, for example for optical and medical supply purposes, and plans are in hand to introduce a hard quality.

Leng-Armac can be contacted at Stirling Corner, Barnet By-Pass, Boreham Wood, Herts.

## Drilling in concrete and steel

ROTARY hammer drilling unit for 20 mm (¾ inch) drill bit introduced by AEG Telefunken (U.K.), 217 Bath Road, Slough, Bucks., are for heavy-duty drilling applications in concrete and steel throughout the building construction and allied industries.

Roto-Hammer BH 20, which is a follow-up to AEG Telefunken entry into the U.K. rotary hammer drilling machine market in 1972, is a very versatile machine in that it can be used for ordinary drilling, hammer action only, for example chiselling, and combined hammer-drilling. Very fast penetration in concrete and steel is claimed and the machine is said to be ideally suitable for self-drilling anchors up to ¾ inch to ½ inch capacity, depending on material.

Crowns can be accommodated up to 90 mm (3½ inch) diameter. Full load speed is 680 rpm and hammer rate at full load is 3,250 blows per minute. Outstanding ease of handling characteristics are referred to by the makers as a result of good balance and the relatively light weight of 4.5 kg (10 lb). The machine is delivered complete with steel carrying case, side handle, depth gauge, arbor and chuck.

NORTH SEA OIL REVIEW

BY ADRIAN HAMILTON

# Government calls for reports, but more speed is unlikely

E PRIME Minister is ught to have asked all Gov- mental departments con- ed in off-shore exploration produce reports as soon as sible on how far develop- it of the North Sea oil finds be speeded up.

he move comes at a time n the Government, con- ed as much by the long-term lications of current Middle t events on oil prices and plies in the U.K. as by the ediate problems caused by Arab cut-offs, is desper- y looking at the North Sea the panacea for many of ain's woes.

s faith is hardly misplaced. a time when almost every r European country is faced the gloomy prospect of natic import bills for energy the next decade or more and easing insecurity of supply, U.K. can now be confident aining enough oil to cover its requirements in the y 1980s (although it will inue to need imports of vier oils from abroad to pro- the right refinery nces).

## Annual gain

t the present rate of inflation world oil prices, too, the ntry could well gain a nce of payments saving of over £2,000m. a year by the of the decade from in- nous oil and gas.

it if the future promise is oubtedly there, hopes of ding up the exploitation of fields are much less certain e fulfilled. On present plans, will not start to flow in any volume until the end of at the earliest and the th Sea will not make any stantial impact on the U.K. gy scene until 1976-77—fine any party in power at that but not much help to the ent Government in its im- iate difficulties.

he problems are clear igh. The major fields have n found in deep water, where elopment requires an engin- ng effort and scale never be- attempted in Europe. The e producing platforms now g designed for the North are already straining technology, available facilities and skilled manpower resources to the limit. The situation is hardly helped by weather conditions which make it possible to install the platforms and lay the lines during the summer months only.

## Storm damage

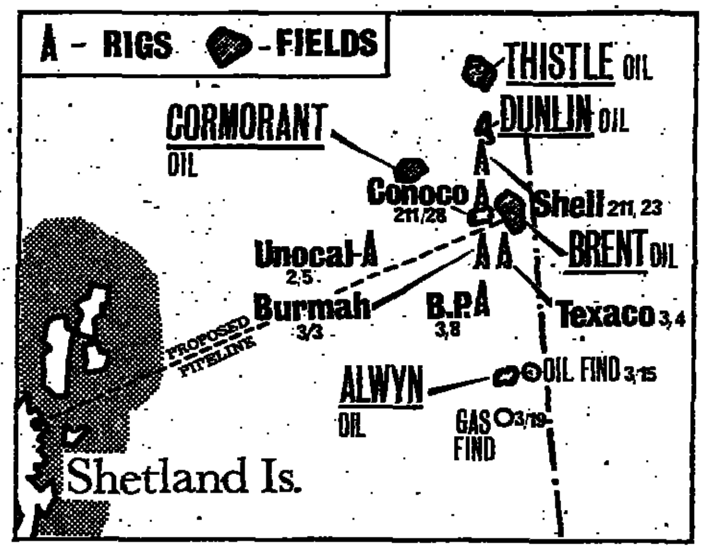
Weather conditions have already, for example, held up both the submarine oil pipelines currently being laid in the U.K. sector of the North Sea. Phillips, which is laying a 350-kilometre line from its Ekofisk oil fields in the Norwegian sector to Teesside in the U.K., has now said that a recent storm caused considerable damage to the pipe-laying barges when the line still had some 35 kilometres to be completed. It will not be possible to lay this last section until next year. Similar problems have also hit construction of the 160-kilometre line being laid from BP's Forties Field to Cruden Bay in Scotland and the company has now ended the laying season with little more than 100 kilometres put down.

Problems of construction and design have affected both Shell/Esso and BP's current programmes of platform construction as well. The first two platforms on the Forties Field, originally scheduled for start-up at the end of next year, are now not expected to begin production until the spring of 1975, while Shell has delayed both its Auk platform (originally meant to start production next year) and its first Brent platform (originally intended to begin production in 1975) by a year. Far from being able to speed up these plans, the real fear is that further problems, particularly in industrial relations on the sites, could bring yet further delays.

The real target for any speed-up in exploration must be the next generation of development, particularly north-east of the Shetlands. Here a whole host of recent commercial discoveries has been made, including those by Tricentrol at Thistle, Shell/Esso at Dublin, Conoco/NCB/Gulf at 211/18 and Total at 3/14.

The latter find, incidentally, has now been named "Alwyn"—apparently an old English name meaning noble friend, although whether or not this is recognition by the French companies of Mr. Edward Heath's conversion to old-fashioned Gaullism and "sauve qui peut" policies towards oil is not clear.

One crucial development north-east of the Shetlands is Shell/Esso's plan to lay a large-diameter line from Brent to Sullom Voe in Shetland. Under



present conditions, a 36-inch line capable of taking some 1m. barrels a day of crude oil might be laid as early as next year for start up at the end of 1976.

There remain technical problems in attempting to lay such a large diameter line in water of over 550-feet depths but, if these can be overcome, it would clearly open the way to a dramatic expansion of East Shetlands oil (which is at present due to start up in 1976 using tanker production from Brent).

Brent itself, including the Texaco extension, could probably fill half the capacity of the line. But the remainder could be used for taking oil from other finds such as Dunlin, Thistle and possible Conoco's 211/18 discovery. Dunlin (which extends from Shell/Esso's block 211/23 into Conoco/NCB/Gulf's adjoining acreage at 211/24) has still to be fully proved. But, provided that further drilling is successful, industry estimates suggest that it could well be in the 200,000 barrel-a-day class. Similar predictions (again needing to be proved) have also been made for Signal/Tricentrol's Thistle discovery and Conoco's 211/18 find (which extends into Amoco acreage to the west at 211/27).

Laying of a major Shetland line could clearly speed up the rate at which all these finds come on stream and build up to peak.

Interestingly enough, Shell/Esso, which is now drilling a further proving well on Dunlin, has recently used the rig to take seabed cores on the field while, at the same time, Shell has also asked for tenders for a further production platform without defining whether the platform is to go on Brent (for which two are already on order) or, possibly, Dunlin.

The question of pipeline construction, and its impact on development, also raises the possibility of Government intervention to finance and control a massive spinal system of pipelines in the north to tie in smaller as well as larger fields. The scheme has its problems. The cost would be enormous (in the region of £1,000m. or more according to one recent study into this) and the need for it is perhaps less urgent at the moment now that the size of the Shetlands discoveries especially has proved large enough to support lines on their own account.

Where the Government might more effectively intervene, on the other hand, is in a gas pipeline system for northern finds. Little public discussion has so far taken place about gas prospects, but there is clearly a substantial and increasing amount of natural gas reserves, often associated with the oil finds, being proved up bit by bit in Scottish waters.

Outside Frigg, none of these reserves are very large and the problems of producing from them economically is hardly helped by the Gas Corporation's continued reluctance to offer prices high enough to make separate gas lines economic.

But a gas pipeline system operated by the Government, Gas Corporation and/or a consortium in which gas would be bought at well-head from the oil companies could well provide a solution to these problems.

## Latent friction

But, in its search for ways of speeding up development of the oil and gas discoveries, one less pleasant problem the Government may well uncover is the latent friction between rapid exploitation and full involvement of British suppliers and contractors and the contradictions between speedy development and environmental care. The lack of facilities in the U.K., the industrial problems encountered by British manufacturers, the lack of firm delivery dates being offered by U.K. contractors and, on the other side, the difficulties many contractors are finding in gaining planning permission for sites in the north-east and north-west of Scotland are all being cited—with some justice—as major obstacles to more rapid development

As so often in oil, and in other industrial fields, the Government cannot have it all ways at once and it is very difficult at this stage to see how it can effectively ensure greater speed without overriding genuine environmental objections or the growing national demand that British industry gain as large a portion of the development market as possible.

PARLIAMENT

## Aid EEC on oil, Thorpe urges

THE PRIME MINISTER should demonstrate European unity by helping other EEC members with oil supplies. Mr. Jeremy Thorpe, Liberal Leader said in the Commons.

Mr. Thorpe's appeal came during an exchange about Mr. Heath's forthcoming meeting with the Association of European Journalists, which the Prime Minister said would be on November 30.

He asked Mr. Edward Heath whether, when he met the journalists, "would you be able to make it clear to them that you regard the present threat to the oil supplies in Holland and, to a lesser extent, those of West Germany, as a good opportunity to prove that this country really believes in working towards European unity and is prepared to help these and other countries to resist attempts of Arab blackmail?"

Mr. Heath said they had shown they believed in working towards European unity by working towards a European foreign policy.

The first stage was in Copenhagen at the recent meeting of Foreign Ministers when they settled the relationship proposed between Europe and the U.S.

Sir Frederic Bennett (C., Torquay), wondered whether the Prime Minister had received other representations that Britain should aid Portugal, which was also suffering from the oil embargo.

Mr. Heath said he had not, but in fairness, he wanted to point out that Portugal was not a member of the European Community.

Mr. Stanley Orme (Lab., Salford W.), asked if Mr. Heath "would explain to the journalists that the British people are more opposed now, in November, to the Common Market than in January, when he signed the Treaty of Rome."

The Prime Minister: "I do not accept that. They can form their own judgments."

'BR TRAFFIC ALL OVER CONTINENT'

# £120m. Government loan for Chunnel rail link

BY JOHN HUNT

THE GOVERNMENT is to provide the £120m. for the new British Rail link between the Channel Tunnel and London, Mr. John Peyton, Minister for Transport Industries, told the Commons yesterday.

Mrs. Renc Short (Lab., Wolverhampton NE) said: "I am sure that if this were taken to the *people in the country they would* say: 'Leave this Channel Tunnel. We are not interested. We do not want it. We wan the houses, schools, hospitals and roads.'

"Those are what the Government should be concerning themselves about and not the wretched tunnel."

He explained the money would be provided from the National Loans Fund.

The Minister was replying to probings from Mr. Fred Mulley, Labour spokesman on transport, during the Second Reading of the Channel Tunnel (Initial Finance) Bill.

Mr. John Peyton

Mr. Peyton told the House: "The £120m. investment required for the link between the Channel coast and London will be provided separately by the Government and not out of ordinary railway investment."

The Minister maintained he had already made this clear to the House during the recent debate on the Channel Tunnel White Paper.

Not so, Mr. Mulley said. All the Minister had done on that occasion was to state that the financing of the new route was a separate matter to the financing of the tunnel project as a whole.

Mr. Mulley took Mr. Peyton's new remarks to indicate that the Government would make a straightforward grant to British Rail for the necessary work.

He told the Minister: "If we have the Government assurance that all the railway investment arising from the tunnel is to be met from the Exchequer, this is very good news indeed."

He also closely questioned the Minister on whether the rolling stock used by continental railways would be able to use the tracks to British provincial cities such as Sheffield.

The Minister's reply seemed to indicate that although coaches from Europe could use the new line to London they would not be able to go beyond. A similar handicap would not operate for British rolling stock on the Continent, however.

Mr. Mulley said that for many the most attractive aspect of the tunnel was the possibility of direct passenger and freight trains going from all parts of the U.K. to all parts of Europe.

A great attraction of the scheme would be taken away if goods and passengers had to be transferred entirely from one railway system to another.

Mr. Peyton replied: "It is already clear that British Rail traffic will be free to go all over the Continent. There is no question about that.

"There will be certain difficulties about present continental traffic going beyond London. That is quite understood by European railways."

The Bill under debate provides finance for work on the second stage of the tunnel up to July 1, 1975. It sets a limit of £30m. on the British and French guarantees for the necessary loans.

This ceiling can be raised to £35m. by affirmative order in the House. The British commitment on the guarantees would not *exceed £17.5m.*

Mr. Mulley said the Opposition was opposing the Bill, as it did not see the need for the generous provision of guarantees. It also objected to the amount of profit that would accrue to the private sector.

This had already been much criticised in the Press, he said. If the private backers were to make so much money there was no need for them to seek guarantees.

From the Government front bench Mr. Keith Speed, Under-Secretary for the Environment, argued that the passage of the Bill was now urgent: "If it is not passed the project as now conceived may well collapse."

If the Bill were not passed it would take so long to draw up a new scheme that our grandchildren would be continuing the debate in 30 years' time.

Sir Richard Thompson (Cons., Croydon S.) said if the initial £30m. was granted, it would mean the entire programme for the Channel Tunnel would be carried out. As time went on it would be increasingly difficult to stop spending money on the project.

Mr. Frank Tomney (Lab., Hamersmith N.) said the Bill contained a potential liability which the nation should not be asked to undertake. "If this project is going to be such a bonanza, why is public finance needed?"

Mr. Fred Mulley

Mr. Roger Moate (Cons., Faversham) said even though there were various options whereby the country could extract itself at a later stage, this was "a decisive moment."

He urged a study on a railway-only tunnel. It would cost 30 per cent. less to construct and operating costs would be much less. There would also be a very handsome profit and environmental advantages.

Sir Robert Turton (Cons., Thirsk and Malton) said he was against pursuing the project at present, when the Government were cutting public expenditure and postponing many important communication projects because the economy was overheated.

## Row over PM's gibe at GLC leader

By Justin Long, Parliamentary Correspondent

A DISDAINFUL comment made yesterday by Mr. Edward Heath, Prime Minister, that Sir Reginald Goodwin, Labour Leader of the Greater London Council should stop "posturing on Westminster Bridge" drew an immediate and indignant reaction from the Opposition in the Commons.

Mr. Harold Wilson, Opposition Leader, gave notice that in the light of the Prime Minister's "cheap and frivolous" view of the recent deputation to Parliament led by Sir Reginald, the Opposition would set down a motion to censure the Government *for policies that were* "bringing essential public services in London to a virtual standstill."

The motion will be debated next Thursday.

### 'A halt'

The clash over Sir Reginald's actions began when Mr. Heath told Labour questioners that he had not had any official meetings with the Leader of the GLC.

Mr. Tom Cox (Lab., Wandsworth Central), declared that this was disgraceful. Many of London's essential services—housing, education, transport and key social services—were grinding to a halt as a direct result of Government policy," Mr. Cox maintained.

On the Tory backbenches, Mr. Geoffrey Finsberg (Hampstead), intervened with the suggestion that the Leader of the GLC would be better employed at County Hall, rather than leading "fake political demonstrations" to the Commons.

Mr. Heath said Mr. Geoffrey Rippon, Secretary for the Environment, who is primarily responsible for many of the services concerned with the GLC, had met Sir Reginald and the leaders of other cities, and he could deal with these matters.

Angry Labour MPs, however, *were still offended at Mr. Heath's* comments on Sir Reginald. Mr. Raphael Tuck (Lab., Watford), asked: "Since when has walking across a bridge been construed as posturing?"

Mr. Heath snapped out the rejoinder: "When you behave like the present Leader of the GLC."

*Notice of the Opposition's pro*posed censure motion, following these exchanges, was given by Mr. Wilson a few minutes later.

## Bid to reduce motor industry disputes

BY ROY ROGERS, LABOUR CORRESPONDENT

MOVES TO set up joint machinery to help reduce motor industry dispute losses, currently more than 350,000 vehicles a year, have advanced a step further.

Proposals for a permanent joint secretariat to monitor all motor industry disputes and arrange conciliation where necessary are to be considered by the national executives of the various unions involved.

They are contained in a document drawn up by employer members of a sub-committee of the recently revived motor vehicle manufacturing industry joint council.

The Transport and General Workers Union, along with some of the other unions involved, are known to have certain reservations about losing too much of their autonomy to an outsid body such as the council.

The proposals listed by th employers are understood t include provision of accommoda tion for the secretariat, togethe with full back-up faciliti including research and publi relations.

It is envisaged that it woul cost £25,000 to set up the secre tariat, although this figure exclusive of salaries.

Finance for the project, it proposed, should come largel from the employers, with th unions contributing about 14 pe cent.

These figures pale into insign ficance when compared with th industry's annual production lo of approaching £400m. and th £30m. a year being lost by th industry's workers through di putes.

## CSEU presses for early reply on pay claim

BY ROY ROGERS, LABOUR CORRESPONDENT

YORK, Nov. 8.

ENGINEERING UNIONS are to mount a campaign to pressure the Engineering Employers' Federation into giving an early reply to the £600m. national engineering pay claim, lodged in September.

The Confederation of Shipbuilding and Engineering Unions executive, meeting here to-day, decided to call regional meetings of shop stewards to bring them up to date on the pay claim situation and gauge the feeling of the membership.

Bearing in mind the June CSEU conference decision urging industrial action if there was no satisfactory offer within one month of the claim being submitted, it seems likely there will be calls for industrial action to speed up pay talks.

Mr. Jack Service, CSEU general secretary, *said the EEF main*tained it could not reply to the claim until its constituent members had been consulted. It seemed that it would be next month before the employers were ready to reply.

Mr. Fred McGuffie, CSEU president, said the employers had been warned that any procrastination *by them would lead to pressure* from the membership for industrial action. This was now coming about.

The EEF is currently seeking a mandate from its own area associations before replying to the unions' package claim for increases of £10 a week plus other extras.

Meanwhile the federation h offered New Year's Day as additional holiday in line wi Stage Three of the Governmen wages policy.

### Tyne losing ship work

ANOTHER FOUR ship repa contracts have been lost on t Tyne because of the overtin ban imposed last week-end 30,000 engineering workers the area to protest against t £75,000 fine on the Amalgamat Union of Engineering Worke The ban, which lasts for o month, is also killing inquiries from owners for do ings during the next few wee

Managements have given warning that over the latter p of this month and throu December the repair yar looked like being badly off f work when they had been pected to enjoy a good p Christmas spell.

*One of the last two jobs f* Brigham and Cowan, Sou Shields, is believed to have be diverted to Sweden. Sw Hunter Ship Repairers, Nor Shields, has lost an 18,000-t container ship. Last week t yard also lost the docking of t fruit carrier Rio Cobre.

# Recipe for violence if Rhodesia sanctions ended, say Ministers

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

AS THE ORDER to renew sanctions against Rhodesia, came before both Houses of Parliament last night, the Government emphasised the need to allow progress in the discussions between Rhodesian leaders that could lead to a settlement.

The discussions Ministers referred to were those begun in recent months between Mr. Ian Smith and Bishop Muzorewa, head of the African National Council.

These talks, Ministers indicated, were expected to continue, and the helpful attitude of the European Opposition Party in *Rhodesia was also emphasised.*

To those MPs and peers on the Tory side who wanted an end to sanctions, the Government firmly maintained that such a move now would only have the effect of activating the extremists, among the Europeans on one side and the Africans on the other. It would be a clear recipe for violence.

The Government reiterated, however, the recent pledge given by Sir Alec Douglas-Home, Foreign Secretary, that if the time came when he really felt that sanctions had finally failed in their purpose, he would come to Parliament and explain the need for a change of policy.

### 'Long story'

In the Lords debate Lady Tweedsmuir said many felt a sense of frustration and also of disappointment that after so many years we had still to find a satisfactory solution to the immensely difficult problem of Rhodesia.

"We must at times feel discouraged by this long story but I suggest we must not allow this to influence our decision on a matter of such immense importance to Parliament and to Africa. We must surely cleave to the purpose we all hope to achieve."

Emphasising the need for a settlement which would ensure a prosperous, peaceful and stable future for Rhodesia, Lady Tweedsmuir said: "At this stage we do not think we should launch some new initiative.

"If a satisfactory solution is to be found it must involve a *reconciliation between all those* Africans and Europeans who are going to have to live together in Rhodesia. Otherwise no settlement will ever last."

It was against this background that it had to be considered, she went on. While there was discussion in Rhodesia and any hope at all of reconciliation the most useful action Britain could take was to hold the ring, so that there was the least possible *disturbance from outside.*

### Decider

"It is true that sanctions will not be the deciding factor in achieving a political settlement, but sanctions do provide an important incentive to Rhodesians to reach a settlement, because their real impact is on Rhodesia's foreign exchange.

"If she is to attract investment, there must be confidence and that means a return to normal conditions."

Lady Tweedsmuir said: "To change the policy now would certainly mean a strong emotional reaction by those in Rhodesia and outside that country.

"Above all, the hopeful discussions would come to an abrupt end because we should be sending the clearest sign to those Rhodesians who are trying hardest for reconciliation that *we for our part have given up* hope. That could only give heart to extremists."

There was only one alternative in Rhodesia to the reconciliation which they were all trying to encourage and that was ever increasing violence. It had already happened this year.

"We have a responsibility towards Rhodesia which I suggest we should do our utmost to discharge.

### 'Tragedy'

"If the time were ever to come when we had to conclude that we could do no more and that we had to give up our *special responsibility and leave* the problem to others, that would be an unhappy day both for Britain and Rhodesia. Certainly that time has not yet come and I hope it never will.

"We must back those in Rhodesia who are trying with skill and patience to achieve a settlement and we in this country must persevere."

Supporting the motion Baroness Llewelyn-Davies, in her first speech as Opposition Chief Whip, said she felt personally that it might be better to make the sanctions permanent until an honourable settlement could be arrived at rather than have a debate year after year.

Sanctions were a major and increasing disadvantage to Mr. Smith, especially because of an increasing disillusionment by South Africa about Southern Rhodesia's viability both economically, militarily and socially, without support from South Africa which she could ill afford to give.

Lady Llewelyn-Davies said: "Let nobody think that we welcome the breaking down of the economy. Rhodesia is a beautiful country and it is an absolute tragedy that we have been brought to this position."

Later she asked: "Why is the Government not taking up the question of sanctions breaking within the EEC? MPs have raised that question but never had an answer."

*Stating that sanctions were not* disadvantageous to the British economy. She said it had to be remembered that 10 per cent. of our oil came from Nigeria and there was a measure of self interest in Britain's attitude.

Lady Llewelyn-Davies said: "I think that the regime has its back to the wall. Those who have friends in Rhodesia know that the Africans are showing a new consciousness and strengthening of their courage, especially in the rural areas."

Some white people were getting tired of the stumbling, *inefficient form of Government* which Mr. Smith's regime was giving them.

"I beg the Government to withdraw its present settlement proposals and to make sanctions more effective through better international co-operation," she concluded.

Lord Foot (L.) said the House was concerned with a "non-debate."

"I do not say that because the outcome of the debate is anything but a foregone conclusion if there is a vote, but because we are not being asked to decide whether the policies followed in the past have been right or wrong.

"*We are not being asked* whether there should be a new initiative." He wondered how much the forces of moderation would be helped by an adverse vote in the House. In his opinion all that would happen would be that the "hawks would rejoice."

## Call for school vandalism inquiry

SCOTTISH SCHOOLS are facing problems of truancy, delinquency and vandalism it was claimed yesterday. In a letter to Scottish MPs the Scottish Schoolmasters' Association called for support for the setting up of a Royal Commis*sion on Education in Scotland.*

It declared: "There is a need for a good hard look at education in Scotland." There is also concern about the "serious shortage of teachers."

The letter quotes an estimate that damage to schools in Scotland is costing more than £1m. a year.

## Petrochemicals: —'no threat'

THE GOVERNMENT does not see any threat to supplies of petrochemical products in the immediate future, Mr. Anthony Grant, Under Secretary for Trade and Industry, told the Commons.

He was replying to Mr. Peter Rost (Cons., South East Derbyshire) who asked if the Government was satisfied that manufacturing production would not be restrained by shortages of raw materials derived from the petrochemical industry as a result of the cut-back in oil *supplies.*

Mr. Grant added: "If oil supplies had to be cut back, the Government would try to ensure that adverse effects on production were kept to a minimum."

## CUBITTS TO BUILD SINGER EXTENSION

A factory extension for Singer (U.K.) is to be built on the Shadsworth industrial estate, Blackburn, by Holland, Hannen and Cubitts (North-West).

The £300,000 contract is for the second phase of Singer's industrial complex, and consists of a single storey steel framed and clad building in two bays, together with a gatehouse, access roads, vehicle parking area and service roads to be completed by next March. Quantity surveyor is Donald Lomax, of Blackburn.

## Solicitor-MP attacks police chief's lecture

THE LECTURE by Sir Robert Mark, Metropolitan Police Commissioner, criticising a minority of lawyers, was "a generalised and unsubstantiated attack" Mr. Stanley Clinton Davis (Lab., Hackney Central) said.

Mr. Davis, a solicitor, urged that a full investigation be carried out by the Home Office, in which the police should provide the evidence available to substantiate the allegations.

"Also, was Sir Robert's speech read and considered by the Home Secretary before delivery?" he demanded.

Mr. Mark Carlisle, Minister of State, Home Office, said Sir Robert had provided the Home Secretary with the text of his speech before delivery—"but of course, the Home Secretary was not in any way consulted about the theme chosen by Sir Robert, who did make it clear in the course of his speech, that the views, he was expressing were his own."

MPs on both sides laughed when a Conservative backbencher shouted to Mr. Davis: "Sue him."

Mr. William Price (Lab., Rugby) interjected: "Some of us share Sir Robert's views."

Mr. Carlisle—a QC—replied mildly: "Everybody is entitled to his own view."

## Next week's business

THE GOVERNMENT'S latest proposals for clamping down on indecent displays will be debated in the Commons on Tuesday when the Cinematograph and Indecent Displays Bill comes up for second reading.

Business for next week is as follows:

MONDAY: Local Government Bill (2nd Reading); remaining stages, Channel Tunnel (Initial Finance) Bill.

TUESDAY: Cinematograph and Indecent Displays Bill (2nd Reading). The Charlwood and Horley Bill (2nd Reading).

WEDNESDAY: Consumer Credit Bill (2nd Reading); Double Taxation Relief Orders for Belize, Brunei, Sweden and Barbados.

THURSDAY: Opposition Motion on shortages in public services in Greater London (until 7 p.m.); afterwards Opposition Motion on museum charges; Direct Grant Schools (Amendment) Regulations.

FRIDAY: Second Reading, Horticulture (Special Payments) Bill; Agriculture (Tractor Cabs Amendment Regulations).

LORDS

TUESDAY: Channel Tunnel Bill, Second Reading and remaining stages.

WEDNESDAY: Lord Royle: debate on Government proposals for legislation contained in the White Paper, Equal Opportunities for Men and Women.

THURSDAY: Land Registry Bill, Second Reading; Road Traffic Bill, Second Reading (Lords' Bills): Weights and Measures Act 1963 (Salt) Order 1973; and Weights and Measures Act 1963 (Pasta) (Order) 1973.

## Record NRDC income gives £500,000 surplus

RECORD REVENUES were announced by the National Research Development Corporation, the Government-sponsored research body, in its report for 1972-73.

The corporation's earnings in the 12 months up to March this year rose to £9m., producing a surplus of £329,084, compared with £178,786 last year.

### Private sector

Presenting the report, Dr. Basil Bard, NRDC's managing director, commented that much of the uncertainty over the Government's view of the corporation's role as a public sector research body had now been removed.

The report, however, notes a continuing fall in calls from private industry to support its own research and development programme.

"We expect a reversal of this trend as industry recovers confidence and invests a greater proportion of its own resources in innovative projects."

Dr. Bard declined to comment on the closure of the tracked hovercraft project last February —a move which brought fierce criticism of Mr. Michael Heseltine, Minister for Aerospace

NRDC is, however, working closely with the departments concerned to assure that the results of the project will be assimilated into future transport programmes.

The corporation's biggest royalty earner remains the antibiotic drug cephalosporin, which is now manufactured under licence in the U.S., Japan, *France, Italy, and Sweden.*

## Shinwell, '76 years smoking'

EIGHTY-NINE-YEAR old Labour peer Lord Shinwell told the Lords yesterday that he had *been smoking* since he was 13, and seemed to be suffering "no deleterious effects."

Lord Aberdare, Minister of State, Health and Social Security commented: "You are exceptional in many way."

Lord Airedale (L) had asked what further steps the Government proposed to discourage the "dangerous habit" of smoking.

He was told by Lord Aberdare that the Government would continue to advise the public, and particularly young people, against forming the cigarette smoking habit and to urge those who were smokers to give it up.

"To those who can not abandon the habit, we shall offer as much advice as we can about ways of smoking less dangerously."

Lord Airedale urged that public houses should sell cigarettes in packets of ten instead of 20 "for those who are trying to *cut down smoking.*"

Lord Boothby: "If people want to kill themselves by smoking cigarettes, why should they not do so?

Lord Aberdare: "I hope you will not suffer that terrible fate. We are advising people of the dangers which exist."

He welcomed the move towards a "safe" cigarette by Courtaulds, but he regretted the cigarette now marketed had not been passed by the Hunter Committee.

There was laughter when Lord Maelor (Lab.) intervened: "Can we bring this discussion to an end? Some of us are dying for a smoke."

## Immigrants: Carr spells out police duty

POLICE HAD a duty, while *avoiding harassment of immi*grants as such, to follow up information relating to particular individuals or premises, Mr. Robert Carr, Home Secretary, said.

He was replying to Mrs. Shirley Williams, "Shadow" Home Secretary, who questioned him about recent police raids in South London on the homes of immigrants, for the purpose of checking passports.

"The Commissioner informs me that on both occasions the police were acting on information relating specifically to the addresses visited," Mr. Carr said.

"On the first occasion five men were detained as illegal entrants, and on the second, one man was *arrested for overstaying.*"

## P.O. clerical staff to end campaign of strikes

BY OUR LABOUR STAFF

*FOUR UNIONS* representing 65,000 Post Office clerical workers announced yesterday that they were suspending their month-long campaign of strikes from Monday in the hope that the Pay Board will award them special pay rises.

The unions announced yesterday that the Post Office had agreed to make a joint approach with them to the Pay Board for the clerical workers to be named for special treatment in the Board's relativities report which is due to be published next month.

The unions claim that their members should be treated the *same as Civil Servants, since,* until the reorganisation of the Post Office into a Corporation, they were paid on Civil Service rates.

Under the Pay Board's anomalies report, which has been accepted by the Government, civil servants are being given special treatment to ensure they *do not lose out as a result of* last winter's pay freeze.

Mr. Alistair Graham, secretary of the posts and telecommunications group of the Civil and Public Services Association—one of the four unions involved—said that if the post offic workers were not specificall mentioned in the report, "ther is likely to be serious industri action."

In a letter to Mr. Graham, S William Ryland, chairman c the Post Office, said that if th Pay Board made no specifi *recommendations, the Post Offic* would have a special pay revie with the unions when it was fre to do so.

### BREWERY MEN RETURN

BREWERY MEN RETURN

*More than 150 striking brewe* workers at Maidstone, Ken have decided to return to wor The strike by distribution a production workers at Coura (Eastern) lasted nearly thr weeks and severely crippl supplies to over 500 pubs in t county.

The men have voted to retu *to work following a productivi* bonus claim being approved the Pay Board. A spokesman f Courage said to-day it would some days before deliveri returned to normal.

## Pay Board approved rises for 16m. in Phase Two

NEARLY 16m. workers have secured pay increases which have been screened or approved by the Pay Board during Phase Two, the Board reported yesterday.

In the period since it started work in April up to the end of October, which left just over a week of Phase Two to run, the Board has aprovped or screened 6,544 settlements covering a total of 15,951,000 workers.

A total of 7,438 settlements affecting 16,611,000 workers has been received by the Board, and at the end *of October* there were 894 settlements outstanding, of which 59 were in respect of groups of workers of 1,000 or more.

Since the Board started work it has refused to approve 44 settlements. The Board is satisfied that either the offers made in these settlements have been withdrawn or will not be implemented. Five orders restri ing pay agreements to with the Phase Two limits have be made.

During October the number settlements received by t Board totalled 450, coveri 360,000 employees. But duri the month the Board gave approval to 738 settlemen affecting 2,166,000 employees.

### HAIRDRESSERS PAY AWARD

HAIRDRESSERS PAY AWAR

Pay Board approval is bei sought for increases rangi from £1.60 to £2.50 a week f 140,000 workers covered t the Hairdressing Undertakin Wages Council. After vetting t the Board, the proposals are se to the Secretary for Employme and do not come into force unt he makes an Order.

## Municipal busmen's £3 pay deal

BY OUR LABOUR REPORTER

STAGE THREE increase of more than £3 a week for 80,000 municipal busmen are likely to be ratified by employers and *unions next month.*

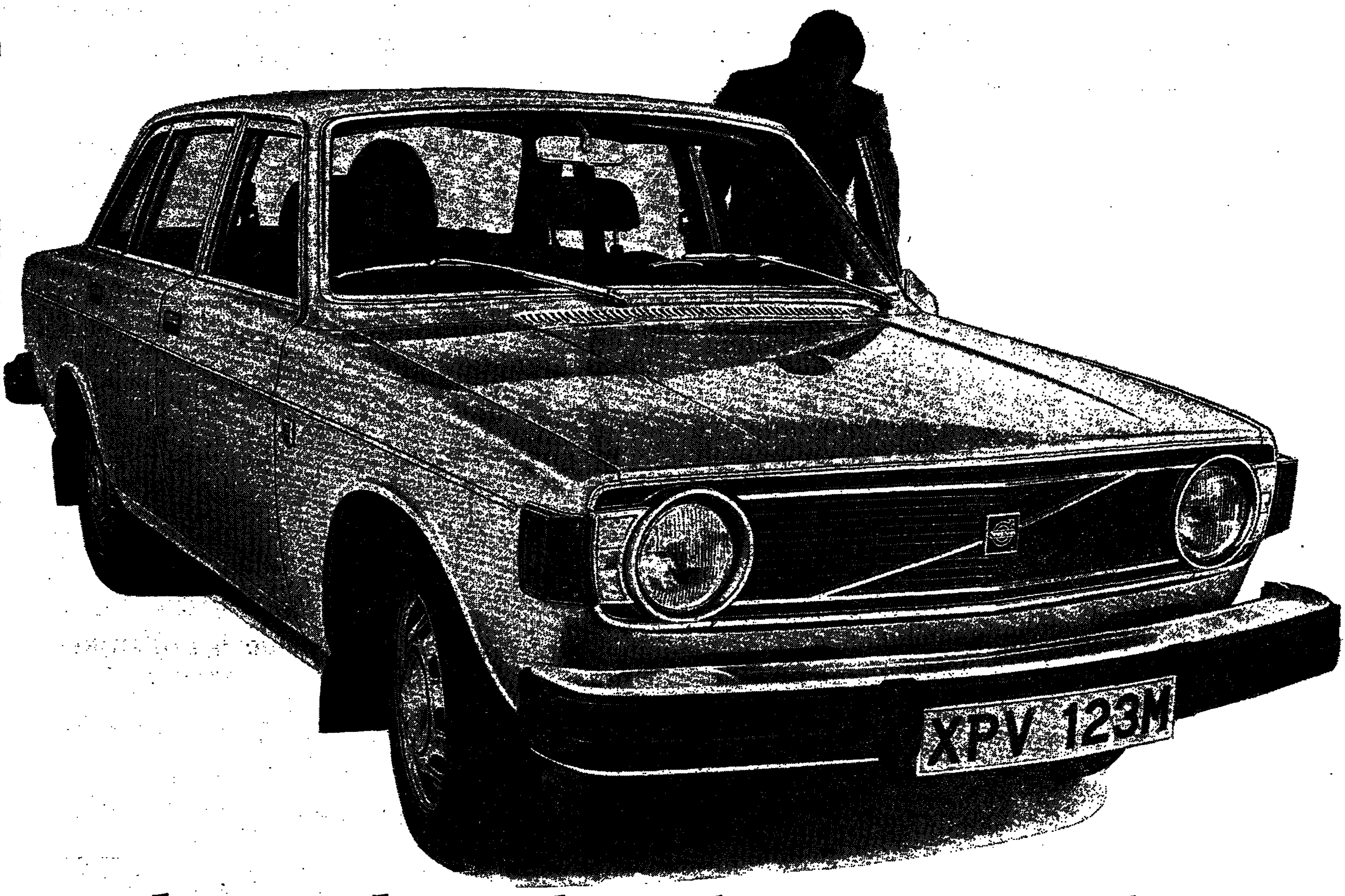
The two sides agreed yesterday that the joint chairmen of the municipal busmen's national joint council should work out details of the increases, which will include extra "unsocial" hours payments.

The busmen already receive a 10 per cent. shift allowance, and the Transport and General Workers' Union, the majority union, will press that th allowance be doubled to brin it up to the Stage Three tim and one-fifth limit for unsoci working.

The unsocial hours rises wil be on top of the maximum £2.2 a-week increases allowed b Stage Three Current municip rates range from £22.50 to £27.5 a week. Traditionally a municip agreement paves the way fo similar deals covering 100,00 provincial company busmen an 20,000 London Transport bu workers.

هكذا منى الأجل

# The new Volvo 144.



## It shines where the other new cars shine. And where they don't.

All new cars look glossy. But when you're spending over £2000 on a car you're entitled to know what you're getting apart from the paintwork.

Consider the facts. The Volvo happens to be one of the most reliable cars you can buy.

A Swedish Government Survey compared it with sixteen other cars. It proved to have a life expectancy of over fourteen years. Substantially longer than its competitors.

This is one reason why the 144 depreciates more slowly than competition.

One thing that's guaranteed to take the gloss off a new car is if it gives you a lot of trouble. At Volvo we're confident enough to give you a 12 month, unlimited mileage guarantee. No other car in its class offers such a generous guarantee.

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This year we've put in a warning device that lights up should a driving light go out – and shock-absorbing bumpers to save dents and expense.

And if you're concerned with surface shine you'll be interested to know that the Volvo 144 is built to withstand the ravages of Swedish Winters with tons of salt on the road (thanks to its rigorous rustproofing, hot-dip galvanising, undersealing, and 33 lbs. of paint to protect the body).

These are just some of the facts about the new Volvo 144. Your dealer will give you more, including a Fact Kit telling you how it compares with competition.

And talk to any Volvo 144 owner. You'll find there's no one more enthusiastic about the car than the man who drives one. When you see what you're getting for the money you'll realize you're getting a very great deal indeed.

The Volvo 144 De Luxe Saloon costs from £2195·05 (manufacturer's recommended retail price including VAT and special car tax).

Cut here

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# CBI plans drive for more trade with Brazil

BY PAUL ELLMAN

THE CONFEDERATION of British Industry is planning to launch a drive to encourage its members to step up trade and investment links with Brazil.

A 16-member CBI team has just returned from a 12-day mission to Brazil, and its report on the trip is expected to be optimistic about prospects for British industrialists.

The report, to be published in two weeks' time, *will express* confidence that the Brazilian Government is capable of maintaining the 10 per cent. annual growth rate of the past nine years.

It is also expected to record the mission's optimism that Brazil's military-backed régime is capable of holding inflation down to its present rate of some 15 per cent. a year.

The CBI team is understood to have concluded that joint ventures with Brazilian corporations offer the best prospects for British industrialists, although *there is a strong market for* sophisticated heavy plant and motor accessories.

A strong boost to Britain's trade links with Brazil is expected to come from the British Industrial Exhibition planned to be held in São Paulo next August.

The flow of applications to take part in the exhibition is raising hopes that it will turn out to be the biggest British trade display ever mounted outside the U.K.

Since the last British exhibition in São Paulo, held in 1969, U.K. exports to Brazil have increased by more than 90 per cent. to more than £84m.

The CBI mission, led by Sir Geoffrey Wallinger, a former Ambassador to Brazil and a director of Lloyds and BOLSA International Bank, held a series of discussions with Brazilian Ministers during its stay. It was also received by President Emilio Garastazu-Medici.

### Visit to Japan

CBI leaders leave on Monday for a visit to Japan. The delegation will form part of a mission organised by UNICE, the European confederation of industrial organisations, to which it belongs.

The CBI will be represented by Mr. Campbell Adamson, director-general, Mr. David Orr, vice-chairman of Unilever, and Mr. Graham Mason, deputy *director of the Confederation's* overseas directorate.

Members of the mission will meet their counterparts in Tokyo and Osaka during the three-day visit. Among the items on the agenda will be the short- and medium-term outlook for the respective economies, bilateral relations between EEC countries and Japan, international monetary problems, energy requirements and the social *responsibility of business* enterprises.

## Housing cost yardstick system 'needs review'

BY MICHAEL CASSELL

A CALL for an urgent review of the local authority housing cost yardstick system has been made by Lord Greenwood, former Labour Minister of Housing.

In this month's issue of Building magazine, Lord Greenwood says that the yardstick system—introduced in 1967 and designed to control the escalation of costs—was "outworn," and should now be the subject *of a far-reaching review.*

He says that inflation over the last three years was to blame for making the yardstick "a very clumsy instrument" and one which was "utterly unrealistic" at the present time.

"I was responsible for its introduction, but it is now having the effect of stopping a lot of local authorities building houses, partly because builders are extremely reluctant to commit themselves to building within the limitations of the cost yardstick," Lord Greenwood added.

Along with the Government's fixed-price tendering policy, the cost yardstick system has come under repeated attack from the industry. They point out that it has not been reviewed for nearly two years, despite major increases in the price of construction materials and labour costs. Prices, they claim, are often as much as 70 per cent. above the permitted levels.

Until now, house-builders have been able to avoid work in the public sector, if they wished, simply because of the weight of business available in the speculative house-building field. As the Greater London Council's chief architect said earlier this year, councils "were begging in the streets" for somebody to do some house-building for them.

Now, however, more builders may have to resume local authority contracts because of the fall-off in demand in the private sector.

## Ambulancemen strike at Bolton

By Our Labour Reporter

BOLTON WAS hit by what is believed to be the first strike by an ambulance service when 31 men stopped work yesterday for two hours over the Pay Board's delay in giving approval to a £2-a-week local pay increase.

During the stoppage local health officials tried to arrange volunteer emergency cover.

In Staffordshire, ambulancemen have voted for an all-out strike later this month over pay and conditions.

### MILAN BRANCH FOR BANK

Standard and Chartered Banking Group has opened a full branch at Piazza Meda 3-5, 20121 Milan, under the managership of Mr. D. B. Evans.

### CARLISLE SHOPS CENTRE PLAN

A shopping centre on a site of more than five acres is proposed for Carlisle, Cumberland, in a report drawn up by the city council's finance and general purposes committee and Laing Development Manchester regional office.

The scheme, approved in principle by the council, would provide about 60 shops, four large stores and parking facilities for 900 cars on land in the Scotch Street, English Street and Lowther Street area.

RMP

# RAND MINES PROPERTIES LIMITED

*(Incorporated in the Republic of South Africa)*

DIRECTORS: *J. B. Maree (Executive Chairman), H. C. Ballingall, *C. S. Barlow, *G. H. Bulterman, *D. B. Hoffe, *B. L. Horowitz, *R. S. Lawrence, *A. C. Petersen, *A. M. Rosholt, *C. G. Tucker, *H. A. Williams.

ALTERNATE DIRECTORS: *A. B. Hall, *J. Horowitz, *C. D. M. Melville, *A. D. Waters.

* *South African*

CONSOLIDATED PROFIT AND DIVIDEND

The audited consolidated results of the group for the nine months ended 30th September, 1973, compared with the results for the year ended 31st December, 1972, were as follows:—

| | 1973 (Nine months) | 1972 (Year) |
|---|---|---|
| Turnover | R 9 554 000 | R 8 791 000 |
| Profit before taxation | R 1 733 000 | R 1 843 000 |
| Less: Taxation | 284 000 | 436 000 |
| Profit after taxation | 1 449 000 | 1 407 000 |
| Add: Loss attributable to outside shareholders in a controlled subsidiary company | 12 000 | — |
| Profit after taxation attributable to shareholders of the company | 1 461 000 | 1 407 000 |
| Surplus on sale of fixed assets | 233 000 | 408 000 |
| Adjustment of prior year's taxation including deferred taxation | 36 000 | 9 000 |
| | 1 730 000 | 1 824 000 |
| Appropriations: | 1 155 000 | 1 329 000 |
| Surplus on sale of fixed assets transferred to reserve | 233 000 | 408 000 |
| Dividend No. 6 of 8 cents per share (1972: 8 cents per share) | 922 000 | 921 000 |
| Retained surplus for the period | 575 000 | 495 000 |
| Number of shares issued | 11 521 715 | 11 513 984 |
| Earnings per share based on profit after taxation attributable to shareholders of the company | 12.7 cents | 12.2 cents |

*CHANGE OF FINANCIAL YEAR END*

On 20th March, 1973 the company became a subsidiary of Barlow Rand Limited as a consequence:

(a) The financial year end has been changed to 30th September.
(b) The directors' report and accounts for the nine months ended 30th September, 1973 will be posted to members at the end of November, 1973.
(c) Future dividends will be declared in November payable in January.

SUBSIDIARIES AND ACQUISITIONS

During the period the company acquired:

(a) An 81.7 per cent interest in Transvaal Gold Mining Estates Limited (T.G.M.E.) for a total consideration of R 761 000. T.G.M.E. owns 14 000 hectares of farm land in the Eastern Transvaal.
(b) A 50 per cent. interest in certain Barlow Rand Group property companies owning offices and industrial properties in Johannesburg and other major centres in the Republic of South Africa, for a consideration of R 2 558 000.

On 30th June, 1973 Corlab Properties (Proprietary) Limited a wholly-owned subsidiary company owning a laboratory in Emmarentia, Johannesburg was sold for R 700 000 resulting in a surplus of R 233 000 which was transferred to non-distributable reserve.

DIVIDEND DECLARATION

Notice is hereby given that dividend No. 6 of 8 cents per share has been declared payable to shareholders registered in the share register of the company at the close of business on 23rd November, 1973.

The transfer books and registers of members of the company in Johannesburg and the United Kingdom will be closed from 24th November to 2nd December, 1973, both days inclusive. Dividend warrants will be posted on or about 18th January, 1974 to shareholders at their registered addresses or in accordance with their written instructions received up to and including 23rd November, 1973.

The dividend is declared in the currency of the Republic of South Africa and the rate of exchange at which the dividend will be converted into United Kingdom currency for payment of the dividend from the office of the United Kingdom transfer secretaries will be the telegraphic transfer rate of exchange between Johannesburg and London ruling on the first business day after 4th January, 1974 on which foreign currency dealings are transacted.

In terms of the South African Income Tax Act, 1962, as amended, non-resident shareholders tax of 15 per cent has been imposed on dividends payable to:—

(a) Persons other than companies, not ordinarily resident nor carrying on business in South Africa, and
(b) Companies not registered nor carrying on business in South Africa, and the company will accordingly deduct the tax from dividends payable to shareholders whose addresses in the share register are outside South Africa.

By Order of the Board,
A. D. WATERS,
Secretary.

Registered Office:
Off Main Reef Road,
Crown Mines,
2001,
South Africa.

London Secretaries and Transfer Secretaries:
Charter Consolidated Limited.
London Secretaries:
40, Holborn Viaduct, London EC1P 1AJ.
Share Transfer Office:
Kent House, Station Road,
Ashford, Kent TN23 1QB.

9th November, 1973.

## Dover lorry traffic up 16.48%

By Paul Ellman

THE DOVER Harbour Board yesterday reported a 16.48 per cent. increase in roll-on roll-off lorry traffic through the port in the first nine months of this year.

A record 135,461 lorries passed through the port in this period, and the figure for September was 27.96 per cent. above that for the same month in 1972.

The anticipated rise in car-accompanied tourist traffic, however, failed to materialise. The first nine months of this year showed an increase of only 0.67 per cent. over last year.

The Board has blamed this on the falling value of the pound which has discouraged many tourists from taking their cars to the Continent.

Total passenger traffic went up in the nine-month period by 3.9 per cent., from 4,895,996 in 1972 to 5,087,098 this year.

## Imps move for plastics trade with Poland

By Ray Dafter

THE Imperial Group will next week attempt to form reciprocal trading links with the Polish plastics industry.

The group is to hold a symposium on "applied plastics technology" in Katowice, Poland, on Monday and Tuesday. Main companies taking part will be Creators, a subsidiary of Imps, and Mardon Packaging International, a company jointly owned with British American Tobacco.

Areas to be covered include the use of plastics in the motor industry, industrial markets for plastics, PVC bottle packaging, expanded polystyrene packaging and flexible packaging.

At the request of the Polish Plastics Industry Association, special display stands taken by the Imps team will remain on permanent display.

Mr. J. F. T. Langley, chairman of Imps' paper, board, packaging and plastics division, will lead the delegation which hopes to open up Poland as a significant market for British plastics.

Creators has already sold a small quantity of plastic decorative trim for use in doors of cars built in Poland.

The Imps group has a turnover in plastics approaching £20m. a year, while Mardon's plastics turnover is over £16m.

## Cunard names cruise ships

By James McDonald, Shipping Correspondent

TWO CRUISE ships being built for Cunard in Denmark, at a cost of £10m. to £12m. each, are to be named Cunard Countess and Cunard Conquest when they enter service in late 1975.

Each ship, of 16,700 gross tons, will be used only for cruising, and will have accommodation for nearly 750 passengers. *The hulls and engines are being* built in Copenhagen by Burmeister and Wain, but the fitting-out and interior decoration work will be completed at INMA in Italy.

The ships were ordered by Cunard—part of the Trafalgar House group—in Denmark at fixed prices. No British shipyard was willing to quote without the inclusion of escalation clauses in the contract.

● NEWS ANALYSIS—CARPETS

# Controversial bid for A. W.

BY KEN GOFTON

IN A VERY real sense, the story of A.W. (Securities)—the subject yesterday of a £40m. bid from Champion International of the U.S.—is the story of its vice-chairman and chief executive, Mr. Michael Abrahams.

He, and his fellow directors, have welcomed the bid, which is generous, valuing the shares at over a third more than their market price earlier this week. It is controversial, however, in the sense that if it goes through it will be yet another example of a large and successful U.K. company, in a growth industry, passing into foreign control. A similar case, the subject of recent comment, is the threatened bid for Universal Grinding.

### Industry study

A.W. (Securities), which has risen rapidly to be the U.K.'s second biggest carpet company *after Carpets International*, is not in urgent need of capital or management know-how. And the carpet industry, recognised by the Government as of special importance to the U.K., is the subject of an Industry Act study by the Department of Trade and Industry. Exports rose in the first six months of this year by 45 per cent. to £26m.

Mr. Abrahams joined A.W., the family business, as a sales representative and spent several frustrated years, during which he had no influence on policy, watching things decline. He might have left: instead, to use his own words, he manoeuvred himself into the managing director's job.

Finding out what the market wanted, and then setting out to meet those requirements as efficiently as possible, were to him the essence of the business. That meant, for instance, showing all projected new designs to the major retail buyers, and only going into production with the ones that won their enthusiasm. They may not feature in the Design Centre, but they sell.

There are three other planks to his philosophy. One is a transparent ambition to make a business grow and succeed. He has done it with A.W. (Securities) with a pre-tax return on capital in the past financial year of over 60 per cent., and pre-tax profits up for the sixth successive year.

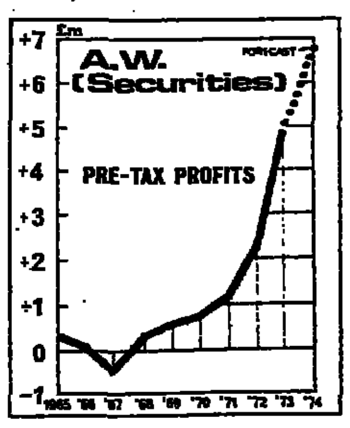
At the time of his unsuccessful bid for Lancaster Carpets earlier this year he said that "rationalisation is not one of my things" if it means cutting back—he simply believed that more money could be made by putting the two companies together.

Secondly, Mr. Abrahams believes, he says, in delegation to young managers (a reflection of his own early experience). But that can only be done with a good heart if, thirdly, there is tight financial control.

### Above average

The need for the latter became apparent in the near sink-or-swim situation of 1967 when the company lost £486,000 and had an overdraft of £1m. Evidence of how hard he makes money work are the sales-to-assets ratio of 3.3 and the sales-to-stocks ratio of over 8.5—both well above the industry average.

Two other factors must take credit for lifting A.W. from mediocrity to its present place in the industry league table. One was the decision—founded on the belief that most people prefer patterned carpets—to keep out of the rat-race market for plain tufteds, and back the new technology of printing. Now the company claims to be the largest printer of tufted carpets in Europe, with an annual output of 15m. square yards, plus 4m. square yards of acrylic Axminsters.



The other factor stemmed from the company's financial troubles of 1967, which forced it to turn for quick results to the new, specialist retail chains like Allied Carpet Stores and Eastern Carpet Stores. These were tough bargainers, but they bought in bulk. And, as it has happened, they have cornered a lot of the growth in the market, with A.W. hanging on to their coat tails.

It is clear enough that Champion International is paying a high price to buy success. But what is in the deal for the Bradford company?

The cash offer itself is an attraction. At 128p a share it compares with Wednesday's closing price of 88½p. A point to keep in mind is that there are several members of the family, substantial shareholders, who are in their late 60s. Death duties were a source of some concern.

### U.S. operations

That would probably not have been enough to clinch the deal with the existing directors. A.W. (Securities) had plans to increase exports, build factories in Europe and eventually, break into the U.S. market. What Champion International has done is to trade on those ambitions by offering the company the chance to run Champion's expanding carpet operations outside the U.S.

The philosophy, says Mr. Abrahams, is similar, with a base of delegation but tight financial control. Champion, with a range of interests including timber and building products, is rated America's fourth largest carpet manufacturer. In Europe it has tufting plants in Belgium and Scotland, "with other things in embryo."

The upshot of the discussions was that AW (Securities) was promised the opportunity, if it went in with Champion, to accelerate its development programme. "My own role," said Mr. Abrahams, "will be to run this independent unit, and build it as rapidly as possible."

# Government watch on prices of semi-finished products

BY RAY DAFTER

THE GOVERNMENT is keeping a close watch on the growing price gap between semi-finished products like steel and chemicals which can be sold abroad at much higher rates than in the U.K.

While there is no suggestion, at this stage, that the Government plans to relax the price restrictions on such internationally traded products it has not ruled out the possibility of some future concessions under the counter-inflation legislation.

Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, told the chemical industry in London last night that the Government recognised the difficulties faced by some industries which may find material shortages developing in cases where U.K. prices were pegged but international prices were free.

It would not, however, be possible to meet the industry's demands for exemption from the *price restrictions without* jeopardising public confidence in the total pay and prices package.

"The Government's primary objective at this time must be to obtain broad acceptance for Stage Three as a whole," said Sir Geoffrey, who was speaking at the annual dinner of the Chemical Industries Association.

He recognised that there were current problems such as capacity shortfalls in some sectors such as plastics, and chemical prices in the U.K. in relation to those overseas.

### No deprivation

The Government is known to be anxious for exports of finished goods to increase, but it is equally concerned that manufacturers in the U.K. should not be deprived of raw and semi-finished materials as a result of the higher-priced markets abroad.

There are, however, longer-term underlying problems like *finance for modernisation and* growth—influenced by adequate prices and profitability, the fact that the industry may be reaching the limits of technological advance in some areas, and the supply of feedstock materials for processing.

Nevertheless, so long as the industry could get the feedstock it needed, the chemical sector was in a healthy state.

"We must not let the high priority we rightly give to holding down prices blind us to the fact that investment is absolutely necessary for growth," Sir Geoffrey went on.

*The Stage Three code* had included provisions for stimulating that investment. As a result of new provisions, economies resulting from increased output could be retained by such major investors and this should have an important impact on profitability.

Mr. Gordon Bridge, president of the Association, said earlier at the annual meeting that the British industry had taken advan*tages of new opportunities for* expanding exports. This year they were likely to top £1,200m.

On the other hand there were adverse trends in the supply and price of essential raw materials. The weakness of the pound had aggravated the price situation relating to imported feedstocks. While the Association was behind the Government's aim of moderating inflation, it was concerned at the effect of past legislation on prices and profits.

## Carlisle Brewery to be auctioned

THE ONLY Government-owned brewery in Britain, Carlisle Brewery, is being sold by public auction on December 5. An earlier attempt to sell privately failed.

The brewery stopped making beer in April this year when Carlisle's 170 State-managed pubs and hotels were sold to private enterprise.

## South-West market for Northern beer

A SMALL Northern brewery has found a new market for its John Peel beer—in the hotels of South-West England.

Workington Brewery was recently taken over by Mount Charlotte Investments, which owns a chain of hotels. Mr. John Payne, Workington Brewery's sales director, said the company had realised the potential of the ready-made ...

He said it was hoped the scheme would spread to the rest of the hotels throughout the country.

### GLASGOW STREET SCHEME DELAYED

The permanent landscaping of Glasgow's main shopping street, Buchanan Street, is being delayed until February when a £1m. development in a House of Fraser store will be completed. The scheme will cost £145,000, the city highways committee was told when the plans were approved.

### LATEST WILLS

| | Net |
|---|---|
| Mr. Herbert Henly, former chairman and the founder of Henlys motor dealers, left £379,146 gross (duty £181,123) | £344,[illegible] |
| Sir Thomas Overy, former senior partner in Allen and Overy, solicitors, left £129,329 gross (duty £51,974) | £126,1[illegible] |
| Mrs. Caroline Thompson (former film critic and broadcaster C. A. Lejeune) left £20,304 gross (duty £1,201) | £19,7[illegible] |

Further duty may be payable on some estates.

## Builders' leader expects drop in land values

FINANCIAL TIMES REPORTER

THIS WINTER is going to be a good time to buy a new house according to Mr. Andrew Tait, the director-general of the National House-Builders Registration Council.

Speaking at an Investment and Property Studies Conference in London yesterday, Mr. Tait said that house and land prices have now fallen in many areas so that the customer gets better value for money, while a customer, buying a new house, is able to choose between one builder and another.

Looking ahead, Mr. Tait predicted that land prices would fall even below present levels partly because more land was now coming on the market. There was plenty of scope for this because the average plot of land had risen in price to the extent that often more was spent on land than on building — "this was not good enough, and public opinion demanded it should cease."

He said, however, that new house prices were unlikely to fall because both wages and material prices had risen steeply.

The NHBRC will soon be publishing a new specification, based on three years of research into how best to prevent legitimate causes of consumer complaints.

Mr. Tait said that whether all the clauses in the specification could be made compulsory would depend on cost. For this reason the NHBRC was asking the Government to allow a reduction in the new contributions which builders are to be asked to make for roads, sewers etc. in the cases where houses are built to comply with new improved standards.

## New Bulmer promise to makers of champagne

RIDERS IN the "Champagne Stakes" on model horses on stage at the Max Bygraves show at Victoria Palace, London, did not receive a bottle of champagne for a prize—but a bottle of Pomagne champagne cider made by Bulmer of Hereford, counsel said in the High Court yesterday.

Mr. Charles Sparrow, QC, for the French champagne firm J. Bollinger, S.A., and Champagne Lanson Pere et Fils, said, too, that at the Happy Valley Theatre, Llandudno, in the Alex Munro show, prizes for stage contests said to be champagne were again Pomagne.

*Bulmer, said Mr. Sparrow,* had supplied the sparkling drink to the theatre, and the champagne makers of France again objected to Bulmer's projecting a further champagne image for their product.

In January 1972 Bulmer's undertook not to use the word "champagne" in connection with cider, other than as part of the expression champagne cider.

Mr. Sparrow said that a memorandum from H. P. Bulmer showed that it wished to tie the image of Pomagne to champagne.

Mr. Justice Whitford accepted from Bulmers an undertaking that they would not do any act for the purpose of representing Pomagne champagne cider to be champagne, provided it would not be a breach to market the product in its present get-up, labels and bottles, or any get-up not materially dissimilar.

Bulmers also promised they would not knowingly supply Pomagne champagne cider to theatres for use on the stage in theatrical performances.

Saleroom

## Bureau-cabinet makes 1,450 guineas

IN A £37,500 sale of English furniture at Christies yesterday, a walnut bureau-cabinet dating from the early 18th century sold for 1,450 gns. to Gumuchdjian. A George III partridge wood and mahogany sofa table sold for 1,300 gns. (O. F. Wilson); a George III mahogany breakfront secretaire cabinet for 1,150 gns. (Rubin) and a Queen Anne bureau for 1,000 gns. (Roe). The same price was paid by O. F. Wilson for a pair of mid-Georgian mahogany library armchairs.

A Malaya rug sold for 5,800 gns. to Ghastighai at Christies in a £7,248 carpet sale.

The first part of a Christies sale of Victorian pictures totalled £19,113. A painting by Edward Wilkins Waite of summer morning in a Hampshire village sold for 700 gns. to a private buyer. Sheraton paid 620 gns. for an 18th-century English school painting of a scene from the Civil War. A landscape in the style of Vickers sold for 500 gns. to a private buyer.

The first day of Stanley Gibbons' two-day sale of Great Britain stamps totalled £22,075.

An unused example of the penny black from plate 2 made £900 against an estimate of £450, and a twopenny blue from plate 1, also unused, reached £625 (£350). An unused 1841 2d blue from plate 4 realised £950.

A section of Mulready covers sold well and one dated May 6, 1840, reached £400. William Wyon's medal from which the Queen's-head on the penny black was copied, realised £250 and a letter signed by Rowland Hill, the postage stamp's originator, fetched £40.

A Phillips sale of pot lids and fairings totalled £13,719. A fairing, "Let Us Speak of Man as We Find Him," fetched £800 (Hall) and a pot lid, "Uncle Tom," made £110 (Seago).

WINE SALE

## Higher prices for vintage port

BY EDMUND PENNING-ROWSELL

IN THE saleroom at least, vintage port seems to be taking-over where fine claret has left off. With the classed-growth clarets now aparently too dear for investors, let alone consumers, attention has turned recently to vintage port.

Yesterday's most important vintage port sale of the season at Christies showed a general overall advance in prices. It was not so much on the pre-war rarities that the interest of trade buyers, who dominated the sale, was concentrated, although Cockburn '27 at £190 a dozen and Fonseca '27 in magnums at £175 were records. It was the younger ports, led by the '55s that made the running. New top prices for these were made for Taylor (115), Graham (£92), Croft, Fonseca and Noval (each £88) *and Dow (£86).*

However, in terms of percentage increase the plentiful quantities of '60, '63 and '66 showed the most spectacular advance. Less than two years ago the first pair of these vintages were fetching top prices at auction of £15 to £18 a case; and the '66s made £14 to £16. By the end of last year the *highest bids for the more* popular shippers' wines had more than doubled, but leading prices ranged from about £36 to £41 for the '60s, rather less for the '63s, and £25 to £30 a dozen for the '66s.

Yesterday these vintages were generally fetching 50 per cent. more than last autumn. Among record prices for the '60s were Noval (£62 in bond), Taylor (£62), Croft (£60) and Cockburn, Fonseca and Graham (£58 apiece).

The '63s, considered highly promising but, unlike the '60s, not ready for drinking, fetched relatively higher prices, considering their age: Taylor (£62 in bond), Croft (£58), Cockburn, Dow and Graham (each £52) and Warre (£50).

The '66s proportionally went even further ahead with Taylor (£54), Graham (£44 in bond); Noval (£44), and Croft and Dow (both £43). *To the wines bought* in bond a duty of £4 a case must be added. It was to be noticed that prices tended to rise as the sale proceeded.

Large bottles, rare for port, made high prices with a three-bottle magnum of Sandeman, believed to be 1925, going for £130, a similar-size bottle of Sandeman '55 bringing £48, and *a magnum of Cockburn '27* reaching £42. The large sale total was £77,382.

### BANK RETURN

| — | Wednesday Nov. 7 1973 | Inc. (+) or dec. (—) for week |
|---|---|---|
| LIABILITIES | £ | £ |
| Capital | 14,553,000 | — |
| Public Deposits | 19,708,361 | — 3,491,3[illegible] |
| Special Deposits | 1,161,130,000 | + 31,515,0[illegible] |
| Bankers | 239,458,261 | — 45,625,6[illegible] |
| Reserves & Other A/cs | 317,510,958 | + 7,467,8[illegible] |
| | 1,792,360,561 | — 10,125,4[illegible] |
| ASSETS | | |
| Govt. Securities | 1,668,022,328 | + 96,657,1[illegible] |
| Advance & Other A/cs | 31,588,932 | — 107,366,0[illegible] |
| Premises, Equip't & other Secs. | 17,576,6[illegible] | — 2,844,0[illegible] |
| Notes | 29,098,535 | + 2,846,5[illegible] |
| Coin | 168,784 | — 14,048 |
| Reserves | 29,775,719 | + 2,832,4[illegible] |
| | 1,792,360,561 | — 10,125,4[illegible] |
| ISSUE DEPARTMENT | | |
| LIABILITIES | £ | £ |
| Notes Issued | 4,525,000,000 | + 25,000,000 |
| In Circulation | 4,495,985,066 | + 22,153,469 |
| In Bank's Dept. | 29,158,404 | + 6,221,085 |
| ASSETS | | |
| Govt. Debts | 11,015,100 | |
| Other Govt. Secs. | 3,671,847,615 | + 49,3[illegible] |
| Other Securities | 842,137,385 | — 24,30[illegible] |
| Coin | — | |
| | 4,525,000,000 | + 25,000,000 |

هكذا من الأجل

UROPE AND DEVELOPING COUNTRIES

# Reversal of investment trend advocated by tax expert

Mr. E. B. Nortcliffe

Mr. Maurice Foley

Professor Karl-Heinz Sohn

E PRESENT tax background international investment is ter geared to investment by veloping countries in Europe 1 North America than the er way round, a taxation ex- t said in London yesterday.

Ir. E. B. Nortcliffe, overseas ation manager of Unilever, 1 he came to this "remark- e conclusion" after examin- the total picture presented fiscal systems of the world, angements made for reconcil- them and for avoiding ible taxation or discrimina- y taxation.

le was addressing a con- ence on the European Com- nity and the Developing intries, organised by the ancial Times.

alking on "taxation and en- iational investment," he said whole field of withholding es was a problem area—"all se taxes which are collected ource with the intention that beneficiary shall have a lit for them against his per- al tax liability on total ome."

ater he referred to "income s related to direct foreign stment," in particular in- st, royalties, and fees for inical and other services. In case the guilty parties are ally the governments of the developed countries, which st on taking withholding s from the gross payments le."

Ir. Nortcliffe said the solu- appeared to be for all less- eloped countries imposing holding taxes on this type of me to introduce into their laws the option for a non- dent enterprise to be taxable regular rates on the net income from the particular activity or service.

"They must be prepared to accept from accountants, independent auditors or the revenue authorities of the investing countries reasonable evidence of the net income arising. If their answer is that they cannot afford the loss of revenue, the conclusion is that they cannot afford the price of economic development."

Mr. Maurice Foley, deputy director general, Directorate-European Communities, said that in many respects decisions that must be taken in the next six months would probably decide the characteristics of Europe for the next 20 years

He did not know whether it would be a Europe that was inward-looking, brash, selfish or preoccupied with its own problems and standards of living, or whether it would be mature enough to unconsciously build bridges across race and development.

"The real answer will be seen as a result of negotiations with 43 countries and the way we interpret the needs of our Commonwealth partners and take care of them in relation to access to Europe's markets."

Professor Dr. Karl-Heinz Sohn, Permanent State Secretary, Federal Ministry for Economic Co-operation, Bonn, said: "From the most recent events in the field of primary commodities, it is clear that in pursuit of their national interests, developing countries do not hesitate to resort to expropriation and *boycott, causing considerable* trouble for economies of the industrial countries.

"A policy of industrial counter-boycott—as has been recommended in some instances—would probably be the worst method of trying to bring the developing countries to reason. An integration of the economies of industrial and developing countries should be organised as quickly, and as extensively, as possible."

Reasons for the hesitation of German firms to invest in developing countries were not always clear, he said. They might include the favourable export situation and growth of the domestic labour market after the currency reform of 1948. They might also include unfor*tunate experiences in protecting* German capital abroad in the two World Wars, lack of business experience in foreign countries, obstacles set up by possible partner countries and, occasionally, lack of support from the public authorities.

The importance of stepping *up investment activities in* developing countries was now being recognised by those German enterprises, which in the past had shown little or no interest, Dr. Sohn added.

## T dinner for EEC Commissioner

Financial Times gave a ier at Ironmongers' Hall last t at which the guest of our was M. Claude Cheysson, missioner for Development *and Co-operation Policy at* Commission of the European munities.

he guests included Mr. old Smith, secretary general the Commonwealth Secre- at; Lord Campbell of Eskan; l Walston; Sir William Gorell ies, deputy chairman of al Insurance; Mr. Ronald rson, director-general for in- rial policy at the Commission he European Communities.

r Evelyn Hone, adviser to the t Africa Committee; Mr. C. M. Le Quesne, deputy under secretary of state for Africa and the Middle East at the Foreign and Commonwealth Office; Mr. Philip Mason, former director of *the Institute of Race* Relations; Professor Roland Oliver, head of the history department at the School of Oriental and African Studies, London University.

Sir Henry Phillips, adviser to the Standard Bank; Sir Ronald Prain, former chairman of the RST Group; Sir George Sinclair, Conservative MP for Dorking; Sir Charles Ponsonby, former president of the Royal Africa Society; and Mr. Sidney Spiro, an executive director of Anglo-American Corporation of South Africa.

## TELLENBOSCH WINE TRUST LIMITED

*(Incorporated in the Republic of South Africa)*

DIRECTORS' INTERIM STATEMENT FOR THE HALF-YEAR ENDED 30TH SEPTEMBER, 1973.

**ROFIT**

The unaudited profits for the six months ended 30th ptember, 1973, compared with the half-year ended 30th ptember, 1972, and the year ended 31st March, 1973, are as lows:—

| | Six months ended 30.9.73 | Six months ended 30.9.72 | Year ended 31.3.73 |
|---|---|---|---|
| | R000's | R000's | R000's |
| erating profit | 7,714 | 6,879 | 13,570 |
| luct: nterest payable | 601 | 763 | 1,582 |
| fit before taxation | 7,113 | 6,116 | 11,988 |
| luct: axation | 2,750 | 2,416 | 4,634 |
| Profit | 4,363 | 3,700 | 7,354 |
| luct: *ttributable to outside* iareholders in sub- diaries | 2 | 8 | 10 |
| | 4,361 | 3,692 | 7,344 |
| uct: reference Dividend | 230 | 230 | 461 |
| ibutable to Ordinary iareholders | 4,131 | 3,462 | 6,883 |
| iings per Ordinary iare | 20.1c | 16.8c | 33.5c |

**IMENT:**

Trading conditions during the six months under review better than during the comparable period of the previous icial year and in excess of our expectations at the nning of this year. Sales volumes increased in all major uct categories and expenses were held within budgeted s. Interest rates were more favourable than anticipated. If current trading conditions continue, sales and profits ld also improve during the second half of the year in parison with the same period one year ago.

**DECLARATION OF INTERIM DIVIDENDS**

NOTICE IS HEREBY GIVEN THAT the following divi- s have been declared payable on or about the 20th mber, 1973, to shareholders registered in the books of the pany at close of business on the 23rd November, 1973.

**RDINARY SHARES**

nterim dividend for the year ending 31st March, 1974 of cents per share (last year's interim 6 cents per share).

**¼% CUMULATIVE PREFERENCE SHARES**

dividend of 3¼% (3.25 cents per share) for the six hs ended 30th September, 1973.

**¾% CUMULATIVE REDEEMABLE PREFERENCE HARES**

*dividend of 3¾% (3.75 cents per share) for the six* ionths ended 30th September, 1973.

he foregoing dividends are declared in the currency of epublic of South Africa. Warrants in payment will be d on or about the 20th December, 1973, to members at registered addresses or in accordance with their written ictions.

Varrants in payment of the Preference dividends will be tched from the office of the Transfer Secretaries, nesburg.

Varrants in payment of the Ordinary dividend will be tched from the office of the Transfer Secretaries, nesburg, to all payees except those with addresses in ie, the United States of America and Canada to whom ent will be made from the London Share Transfer Office. ayments from the London Share Transfer Office will be in United Kingdom currency calculated by reference to ite of exchange ruling on 10th December, 1973, or at a ot materially different therefrom.

th African Non-Resident Shareholders' Tax and United om Income Tax will be deducted from the dividends applicable.

ie Transfer Books and Register of Members in respect Ordinary and Preference Shares will be closed from November to 5th December, 1973, both dates inclusive.

BY ORDER OF THE BOARD,
L. A. O. BARTH,
Managing Director.

Libertas,
ENBOSCH,
Province.
istin Friars,
ON EC2N 2EY.

7th November, 1973.

New Issue
November 9, 1973

This advertisement appears as a matter of record only.

EUROPEAN COAL AND STEEL COMMUNITY

DM 100,000,000.—
7¾% Deutsche Mark Bonds of 1973

| | |
|---|---|
| Interest: | 7¾% p. a., payable annually on November 1 |
| Offering Price: | 98½% |
| Redemption: | beginning November 1, 1979 in ten equal annual instalments at par |
| Listing: | Frankfurt am Main, Berlin, Dusseldorf, Hamburg München |

DEUTSCHE BANK
Aktiengesellschaft
also for
BERLINER DISCONTO BANK
Aktiengesellschaft

DRESDNER BANK
Aktiengesellschaft
also for
BANK FÜR HANDEL UND INDUSTRIE
Aktiengesellschaft

COMMERZBANK
Aktiengesellschaft
also for
BERLINER COMMERZBANK
Aktiengesellschaft

WESTDEUTSCHE LANDESBANK
GIROZENTRALE

BANK FÜR GEMEINWIRTSCHAFT Aktiengesellschaft
BERLINER BANK Aktiengesellschaft
HARDY & CO. G.M.B.H.
SAARLÄNDISCHE KREDITBANK Aktiengesellschaft
C. G. TRINKAUS & BURKHARDT
BAYERISCHE HYPOTHEKEN- UND WECHSEL-BANK
BERLINER HANDELS-GESELLSCHAFT — FRANKFURTER BANK —
MERCK, FINCK & CO.
BANKHAUS FRIEDRICH SIMON Kommanditgesellschaft auf Aktien
M. M. WARBURG-BRINCKMANN, WIRTZ & CO.
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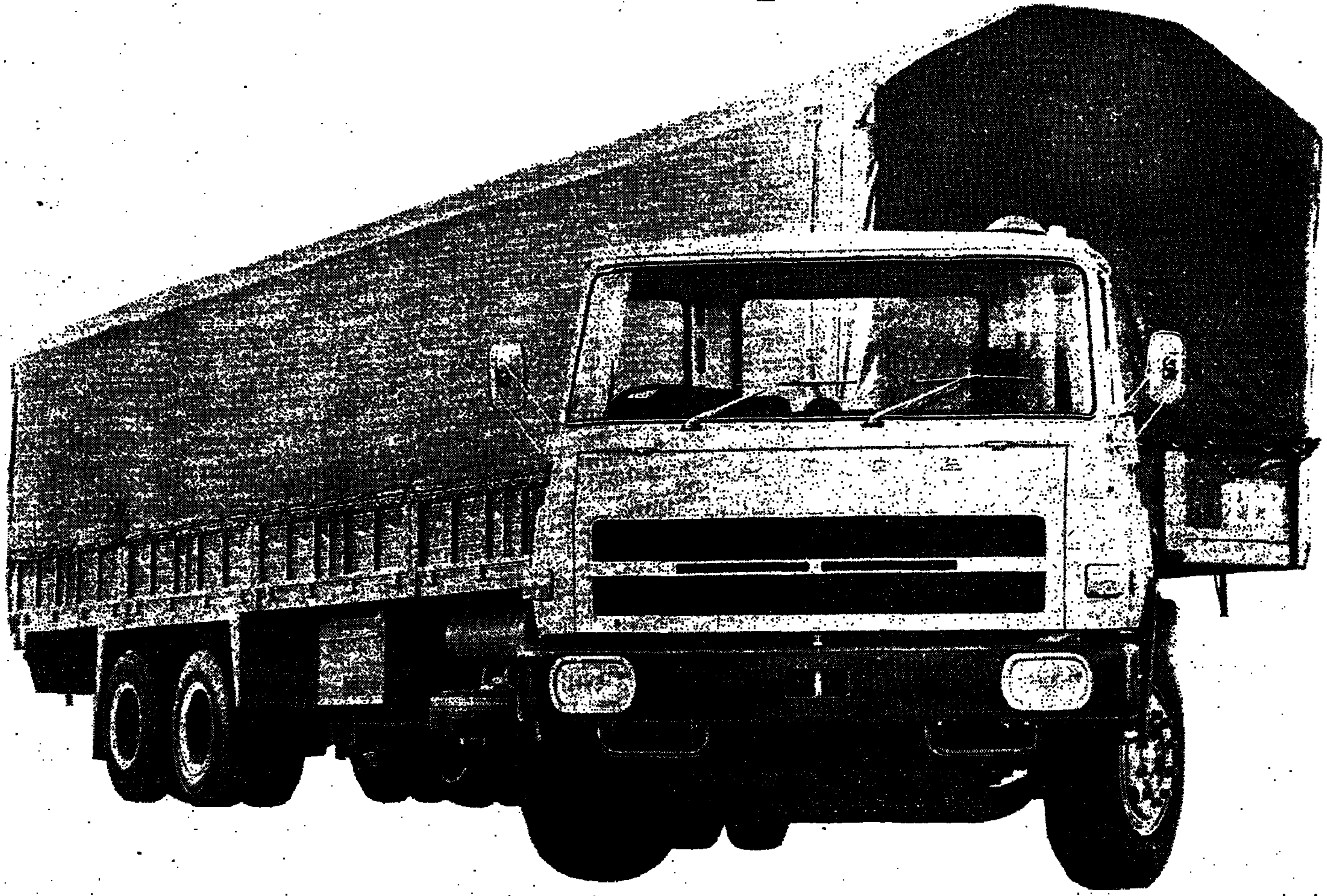
DEUTSCHE GIROZENTRALE — DEUTSCHE KOMMUNALBANK —
SAL. OPPENHEIM JR. & CIE.
J. H. STEIN
WESTFALENBANK Aktiengesellschaft

# EUROPE'S BIG VALUE TRACTOR

## Dodge K3820P-New from Chrysler



The new Dodge K3820P is a superbly specified machine with a plated GTW of 38000 Kg (37.4 tons). The cab is ultra modern. The power pack is the mighty Chrysler 12-litre turbocharged diesel with a transmission to match. The frame is deep section carbon manganese steel. And included in the basic price is a whole range of 'extras'. Even the radio is standard equipment.

Compare the specifications of this new Dodge tractor with its rivals in the U.K. or the Continent, and you'll agree it represents really big tractor value.

In a road transport environment that's getting tougher every day, it's the wisest tractor investment you can make. And it is backed by Chrysler's spares and service network.

**12 MONTHS WARRANTY WITH UNLIMITED MILEAGE**

CHRYSLER UNITED KINGDOM

Dodge
Commer
Karrier

Where quality still counts

# INSTITUTE OF DIRECTORS' ANNUAL CONFERENCE

SPEAKERS AT this year's Institute of Directors' conference, held at the Albert Hall in London yesterday, were chosen as people at the heart of current issues and were outspoken in their views.

This 25th conference filled the hall to capacity with 5,000 of the country's most important businessmen and leaders of industry, and many requests for tickets had to be refused because of lack of space.

The main purpose of the conference, according to the IOD director-general, Sir Richard Powell, was "to provide the best possible brief on matters which none of us can afford to ignore."

His success in obtaining the services of an eminent list of speakers was marred this year by the last-minute withdrawal of M. Valéry Giscard d'Estaing, the French Finance Minister, who was called to attend yesterday's Cabinet meeting in Paris to discuss the forthcoming French Budget.

However, his place was ably filled by the Countess of Dartmouth. The other speakers were Sir George Edwards, chairman of the British Aircraft Corporation, the Metropolitan Anthony of Sourozh, Prince Bernhard of the Netherlands, and *Mr. John Connally.*

Mr. Connally, former U.S. Secretary of the Treasury, was introduced by Sir Derek Pritchard, president of the IOD, as possibly the next President of the U.S., and his speech, which ranged over the U.S. world role since 1945, received a standing ovation.

The traditional lunch, packed in boxes and eaten on the knees of thousands of directors, included mousse de foie gras, breast of chicken and cold tongue and a quarter-bottle of Tavel Rosé.

On the platform were Lord Erroll, chairman of the IOD; Mr. Angus Ogilvy; Lord McFadzean; Sir Edward Spears, chancellor of the IOD; Sir Charles Hardie; Sir John Musker; Sir Charles Wheeler; Mr. Cecil Parkinson, MP; and Mr. Patrick Fleming.

Mr. Heath lunching with Prince Bernhard (right) at yesterday's conference.

**Mr. Edward Heath**

## Our problems are those of success

MR. HEATH told the conference that if only it could realise it, Britain was facing the problems of success. And those problems should be looked at against the background of British industry's achievements, he said." Industrial production is up by nearly 10 per cent. on a year ago. Output per head in industry is up by 8½ per cent. Exports are up by 15 per cent."

He went on: "Three years ago, demand and output were stagnant, domestic costs rising steeply, capacity underused, unemployment over 600,000 and rising.

To-day, demand and output are rising, the growth of domestic costs contained, industry working near to capacity or actually at it, investment rising rapidly, unemployment at about half-a-million and falling. This is a dramatic change.

"Perhaps it can best be summed up in this way. Three years ago the problem for our industry was to sell all it could make. To-day the problem for our industry is, by and large, to make all it could sell. There is the world of difference.

"The Government can claim to have had a share in this transformation. We took office in 1970, pledged to avoid stop-go, determined both to tackle the problems of inflation and to achieve steady and sustained growth of the economy. We knew that this was what was needed, if British industry was to modernise and revitalise itself, and if the standards of living of the British people were to be raised."

### Demand

"From the outset we made it clear that we intended to provide the prospect of steadily rising *demand. The Chancellor of the* Exchequer's policies have all been directed to creating that prospect. By our decision to float the pound last year we showed that we were determined not to allow the constraints of short-term capital movements across the exchanges to stand *in the way of the growth of the* economy.

"Two years ago it became clear that Britain would join the European Community at the beginning of 1973, and that British industry could look forward to competing on level terms in a European market of 250m. people. Those industrialists who took a long, hard look at the prospects in Europe—and then made their decisions to invest — have the resulting capacity in production, and are able to take advantage of the opportunities that are there for the taking in Europe. Opportunities that are now all the greater because of the unprecedently competitive position of British goods in world markets. But it was not until the beginning of this year that we saw the first signs of a real revival in industrial investment.

"Of course, this new capacity cannot be available in time to meet the demand that industry has been experiencing this year, both in overseas as well as home markets. But in the meantime, much has been done, I know, to increase output from existing capacity by improvements in productivity.

### Flexibility

"We shall continue to depend heavily upon increased productivity as a source of rising production for some time to come, if we are to be able to meet rising demand at home and overseas. No-one can lay down a code or a set of guidelines as to how this is to be achieved. No doubt it will come mainly from the more efficient use of existing technology.

"For some it may require more shift working. For others it may mean new concepts of *flexibility in the use of part-*time manpower—and particularly woman power. For others again, it may mean revised mangeneralise, I should say that generalise. I should say that it will call for two things above all. It will call for continuing ingenuity and flexibility in *management. And it will call* for the co-operation and goodwill of the shop floor—which in turn depends on an understanding of what is at stake.

"I spoke earlier of the two main objectives of Government economic policy: the achievement of a steady and sustainable *rate of growth, and the contain*ment of inflation. The rate of growth has in fact risen, from an annual rate of about 1½ per cent. in 1970 to an annual rate of 5 per cent. This high rate—high by past British standards though not by German or Japanese standards—owes something to the fact that we started the year with capacity to spare. We probably have only a little of this reserve still in hand. So the rate of expansion is steadying.

"We still have ½m. unemployed, with all that that means in terms of human resources which we ought to be using. If only we could do what is necessary to match them to the jobs available and the skills required, our output would be that much greater and our economy over the country as a whole so much better balanced. This reserve of manpower, together with the rise in investment which we are experiencing, should enable us to sustain a reasonable rate of growth in the years ahead.

"The Government will make sure that the claims of public expenditure are not allowed to stand in the way of the needs of the balance of payments, and the maintenance of a healthy rate of industrial investment. Our exports are, as I have said, highly competitive in world markets today.

"In the not too distant future, we can look forward to an increasing flow of oil from the North Sea. The latest estimate is that by 1980 we shall be meeting two-thirds of our needs from the North Sea. This will mean a dramatic saving in foreign exchange. So I believe that the prospects and opportunities for British industdy to1day are more exciting and more solidly based than at any time since the Second World War.

"Le me here make an important aside. We rely on you. We rely on you because we know from experience that prosperity for the people of this country, depends on a prosperous free enterprise system.

### Prosperity

"There is no argument in our minds about that—and all our policies are directed to making it possible for you and those whom you employ to achieve that prosperity. The whole policy of steady expansion to which we are dedicated is based upon that principle. But as we moved nearer to full employment of manpower and of industrial capacity, it becomes more difficult to maintain growth and contain inflation at the same time.

"It was with this problem in mind that last year we embarked on the tripartite discussions between the Government, the CBI and the TUC. As we soon found, there was little or no disagreement between the three of us on the objectives for growth and for prices.

"*This* was a striking feature of the talks we had last year, and again of this year's discussions with the TUC and the CBI separately. Of course I hoped that, as we were able to agree so largely about ends, we would be able to reach a great measure of agreement about means. But *that has not yet proved possible.*

"It seemed to me—and I still believe to-day—that in a mature and democratic society, if the main partners in industry—management, unions, and the Government representing the consumers and the whole nation —are agreed on what needs to be achieved, they ought also to be able to reach agreement on how it should be done.

"Of course it means compromises on all sides. Whether in profits and prices, or in wages and salaries, some people are inevitably asked to accept something less, at any rate in the short term, than they would like. Something less, perhaps, than they think they deserve. Something less than they believe that an untrammelled exercise of their power could bring them.

"But that is the essence of such an arrangement—that individuals or sections of a society accept certain limitations on their freedom in order that the society as a *whole may benefit.* And we cannot expect people to accept these limitations and constraints unless they understand why they are being asked to do so. And so I come back to the point I made a few moments ago. It may be at the national level of discussions between the Government, the CBI, and the TUC. It may be at company level, between the Board and union representatives. It may be at plant level, between the managers of a plant and the men and women on the shop floor. At whatever level, in the end cooperation and goodwill depend on people knowing what is going on, and understanding how it affects them."

Mr. Heath said: "I am sure that it *is true for government in this* country to-day, that its authority depends upon its ability to explain to Parliament and to the public not only what it wants to do but also why it thinks it right to do it. This is certainly not a field *in which I can in any way feel* complacent about our success in this so far.

"I am sure that we as a Government need to devote a great deal of imagination and energy to finding better ways of doing this part of our job. I do not mean that everybody has wholeheartedly to agree with *everything the Government does.* I do mean that people should believe that the Government is playing fair by them. They are entitled to expect that the Government will seek to do what is for the good of society as a whole and is at least broadly fair to individuals and groups within it. They should be able to look *to the Government* to explain and justify its proposals and its actions by those standards. So, too, it should be in industry.

Those who work in an enterprise are entitled to expect that its managers will seek to do what will benefit the enterprise as a whole, and is broadly fair to all the partners in it—to its consumers and *customers, as well as* to themselves as workers and to managers and shareholders. And they should be able to look to management to justify its decisions—whether on profits, on investment or on prices—by these standards.

Take profits as an example. It is still said that profit tends to be a dirty word in some quarters, particularly among the ideologically committed. But most of the trade union leaders I meet understand full well that a high level of industrial investment is essential if their members are to improve their standard of living, and that this investment could *only come out of a reasonable* level of profits.

"So I believe at company level, and at plant-level, men and women can be brought to understand, if it is explained to them, why a healthy level of investment makes the company a dependable and good employer, why investment depends upon profits, and what therefore is the connection between the company's profit margins and their own future employment and earnings. If it is explained to them.

**Prince Bernhard**

## Harmony of business and politics eroded

SPEAKING OF the changing relationship between business and governments, Prince Bernhard of the Netherlands told the conference that in the future large private companies would be expected to serve the general and national interest of each country just as carefully as they already served the interests of employees, shareholders and customers.

This would obviously require an extremely delicate and complicated balancing act from the side *of management,* he said.

He pointed out that until quite *recently the growth of international* private enterprise occurred entirely in accordance with the basic philosophies and policies which had as their generally acknowledged aim the growth of production, the maintenance of full employment, the promotion of free trade and the encouragement of international investment. *In a general* sense, there was a harmony between what governments considered to be the public interest, what the general public considered as its interest and what private enterprise saw as its main purpose.

### Critical

"This apparent natural harmony, which until recently was generally considered as a matter of course, is slowly being eroded. People are becoming more critical of the achievements of business and in particular of big business. Many people nowadays tend to blame their misfortunes, frustrations, loneliness, boredom and in general most of their problems, on society and in particular on big business. Pollution, overcrowding, inflation, unemployment and a general feeling of being unimportant are all laid at the door of big business.

"If big business happens to be foreign big business, these feelings and tensions become even more acute. This—to a great degree—explains why in so many underdeveloped countries such tensions have already grown into straightforward conflicts."

This raised problems for large companies with subsidiaries abroad, and meant that they would have to try even more *assiduously to bring their operations* abroad into line with the national interests of the host-countries. This could take many forms. For instance, by appointing more local people in management and staff functions and by setting up a Board for each of these subsidiaries, manned partly by prominent local people.

"Employees in the host country should be offered positions in other subsidiaries and also at head office. In some cases, main Board appointments might include people from countries in which the company operates on a big scale. All these suggestions simply can mean that these com*panies become more truly inter*national.

"Furthermore, I think it should be made compulsory that every member of the top management of a big international firm should at least speak one foreign language fluently."

He asked whether management *training programmes should not* pay much more attention to politics and international relations and include these in their courses.

"I would like to give you two examples of co-operation between international companies and governments—or the lack of. I heard that when Coca Cola wanted *to make a contract with Japan,* the U.S. vice-president of the company who went to Tokyo found on the other side of the table a banker, an industrialist and a Cabinet Minister — which shows clearly to what extent Japanese big business collaborates with the government and vice versa. The Algerian government, *when asked by an oil company* why they wanted such a high percentage, answered: "We only want as much as European countries take from you as their share from North Sea oil."

**Sir George Edwards**

## Avoid breaking up European aerospace

SIR GEORGE EDWARDS, chairman of the British Aircraft Corporation, in the opening speech of the conference, said that lately there had been a fair amount of Ministerial suggestion that the time had come when collaboration on projects was not enough, but that companies should merge across the frontiers. He went on: "There are a number of things to be said about that. One is to reflect sadly on some mergers that have been made already. Another is to note that the financial position of the two airframe groups in this country is substantially better than those on the Continent with whom we would be expected to merge.

"The flexibility and supporting strength which comes from an aerospace company embracing military and civil aircraft and guided weapons and space is the base on which the world's great aircraft companies have now been built.

"So whatever happens to the shape of the industry in the future—here or in Europe or both—it is my view that aerospace should remain indivisible. I say this because I have seen suggestions that it would be better to break it down into specialist companies. Not so. To *fragment the European—or any* part of the European—aerospace industry would be a backward step."

### Purpose

The reason for trying to unite Europe's high technology industries was not for the purpose of just out-doing the Americans. It was for the positive purpose of creating an industry which was able to negotiate with them from its own strength.

"Individually, the countries of Europe have found this difficult to do. It is difficult for several reasons, but the main one is the large size of the American home market and the small size of the home market of each of the separate individual countries of *Europe, including Britain.* The Americans can go into the export field selling their products off the thin end—the cheap end—of the learning curve because their big home orders have already absorbed the bulk of the educational costs involved," he said.

"On the military front in *Europe in recent years,* collaborative programmes have made a great contribution to closing this all-important gap. Governments have sensibly arrived at common requirements and have pooled their markets, with the result that the initial Anglo-French Jaguar requirement is for 400 aircraft.

"The present indications are that the three founder members of the MRCA programme will, between them, need something like 800 aircraft. The benefit of this combining of the markets is already showing up in the Jaguar, which is now in service with both the British and French Air Forces. It is being actively *exploited in the export markets* at a price which would have been impossible based on a purely national order."

Sir George argued that, if the governments of Europe wanted a strong civil aircraft manufactu ing industry, they had to do som thing to get the European mark as open to European aircraft, the American market was open *American aircraft.*

"I know that this will lead cynical talk about captive marke All I am doing is to point the basic fact that Europe form 25 per cent. of the total wo civil aircraft market and is cu rently equipped with over 70 p cent. American-built airliners. Europe wants a civil manufactu ing industry, something has be done now to start to turn th 70 per cent. into 30 per cent.

"I am quite certain we can p duce a world competitive standa of aeroplane to achieve this. we can only do it provid nothing emerges which is labell as such a European project which is being done for so *political reason* and is squarely aimed at the mark place. The successful Europe transport has to be an optimu aeroplane, which can comp with the optimum aeroplane wh will certainly emerge from No America to do the same job.

"This could be done by Euro if it follows the lead given by t *air forces.* This will involve t drawing up of tight civil specifi tions backed by tight guarante These guarantees we in the Briti aircraft industry have always h to give or we would never ha made the penetration into t export market that we have do

"When we go in for collabo tive programmes in Europe *shall only succeed in maintaini* the right degree of strength if stop so manoeuvring amo ourselves that we actually compe against a specific project we h agreed to do jointly. In the ca of a joint military aeroplane are doing with the French, seems to be French policy to g priority to selling their own 1 per cent. French aeroplane.

"Only when they see they a not going to achieve that, are th prepared to put their full weig behind the joint project. T policy does two things. It confu the customer and stands a g chance of letting in the Russia or the Americans."

*Turning to the subject of Co*ncorde, Sir George said he saw initial operation of the Concor in 1975 as being as important milestone in aviation, as was th of the Boeing 707 in 1958.

"The demand for superso travel will spread into the worl air routes in the same way t the demand for jet travel spread. The subsequent deman of frequency and traffic will met by progressive developmen of the aeroplane, and eventual they will lead to a big SST ju as the 707 led into the 747.

**Lady Dartmouth**

## Legislation no answer to protecting environment

NO Government should impose *such clumsy penalties to protect* the environment that we as a country are priced out of world markets, said the Countess of Dartmouth. Blanket legislation was not the answer.

"In former years it was all too easy to overrule a despised minority of protestors. These days they have to be listened to, *and the onus is upon industry* to prove that the damage that is *done in the name of growth is* really necessary, because people have to live with the consequences for several generations.

"In the future it is essential that social and environmental factors become a larger element in the balance which must be struck between creating jobs and goods, or devastating the environment in a way which to present-day public opinion is totally unacceptable."

She said: "Nowadays 80 per cent. of our entire population live in towns and cities. Some of those towns and cities have been destroyed—not by bombs, but by badly designed offices, shops or supermarkets out of scale and out of sympathy with their surroundings.

"Draughty shopping centres in seedily weathering concrete, vulgar office blocks and monster hotels now loom mercilessly over Central London and elsewhere. Local authorities have given disastrous planning permissions *despite the fact that* we have planning laws which are the best and most rigorous in the world. But these brutal buildings could only have been commissioned by people lacking in both thought and taste. Many developers have told me that even if you pay extra for design you get it back in rent.

"*Architecture is the outdoor* art. In this country it has been *disgracefully neglected.* While everyone knows that museums contain treasures from the past, we forget that our streets reveal for all to see architectural treasures of different periods which provide character and charm and give us a sense of *history and continuity in a rapidly* changing world.

"But we also need modern buildings. We also desperately need you in industry and commerce to be patrons of our outdoor art, by converting historic buildings to new uses and by commissioning modern buildings which fit in with older areas and *of which, for a change,* we can be proud.

"I have seen many industrial buildings, from a knitting factory in Wales to a power station in Scotland, which have won Civic Trust Awards. But offices, shops, and hotels in every town should be of better quality, better finish and better design."

Sir Derek Pritchard (left) and Mr. John Connally on the platform.

**Sir Derek Pritchard**

## 'Stop selling Britain short'

SIR DEREK PRITCHARD, pre dent of the Institute of Directo said people should stop "selli Britain short" and have faith a pride in our achievements a world role.

"Of course, we have our pro lems and this winter will be exception. But so has every oth country!" Look, he said, Britain's achievements due par to those present: "Exports we up 21 per cent. in the first eig *months of this year while impo* only rose by 16 per cent.

"Unemployment is down 383,000 since January, 1972, pr ductivity is up 13.5 per cen official reserves have doubled o the last three years; and official short- and medium-te debts have been repaid from o £3,000m. in 1968 to nil to-day."

*More important than statist* Britain was a country wh people were cared for when th were sick, looked after when th were old—retirement pensio were up 55 per cent. in the la three years. "This is a record which we can be justly prou from management right to t shop floor."

**Mr. John Connally**

## Only one course for U.S. in Mid-East

MR. JOHN CONNALLY, former U.S. Treasury Secretary, defended his country's policy in the Middle East conflict.

He said: "We are all quite aware of differing reactions among some European nations and the U.S. during the present war in the Middle East. Certainly *the U.S. is not blind to the fact* that the Arab nations have most of the world's petroleum and that Europe relies most heavily on that supply.

"Indeed, Middle East oil will be increasingly important to our own well-being unless other reserves or other energy resources are developed in this decade. But the fact remains that it is Europe and not North America where the crisis is most immediate.

"Yet when wax erupted and the Soviet Union began resupplying the Arab forces after the early losses on both sides, the U.S. truly had only one course to take. We were in no position to do nothing and be held blameless, because an act of omission on our part in terms of resupply of Israel was tantamount to abandoning Israel to a perilous fate and we were simply not going to do that.

"We have told the Arabs that we do not view them as adversaries, but rather that we view ourselves as a nation committed to the preservation of the state of Israel and to the maintenance of balanced forces *in Middle East. We have moved* as tenaciously as we know how to help bring an end to the fighting."

### Stability

He added: "We are increasingly aware that we must not become dangerously dependent upon others for the energy resources which fuel our economy and maintain our standard of living. In the short-term, there must be a willingness on the part of our people to conserve, to get along with less, to change our habits, to make sacrifices we may not like, but in the long-term the U.S. must—and I believe it will—*correct the policy mistakes which* have helped stifle domestic development of energy resources.

"It is inconceivable to me that the U.S., through any action of its Government, will turn away from technological advance for any extended period. Although our proud space programme has been reduced, and the development of supersonic commercial aircraft was abandoned precipitously to the British, the French and the Russians, these are but temporary manifestations of the great debates on priorities."

He said the U.S. applauded the British decision to enter the Common Market—a decision based upon Britain's national self-interest—because it was convinced that European unity was vital to the *long-range* economic and political stability of the entire world, and that Britain was an essential cog in the machinery of a free, healthy and peaceful Europe.

"The United States, in turn, may make new adjustments in its own trading arrangements at some future date. New trading blocs may develop in the western hemisphere and into the Pacific—arrangements born of national *self-interest on the part of many* countries. It should not shock Europe that such events could occur, because there is no more reason for political boundaries to forever impede the flow of ideas, technology and products in another part of the world than it is for Western Europe to endure such barriers."

### Watergate

Regarding the Watergate affair, he said there was great stress on *the executive, legislative* and judicial system. There had been abuses which had divided us and damaged the confidence of the people in their leadership. There had been economic repercussions even though our economy was sound.

"But this trauma should be viewed in perspective. Ten years ago, almost to the week the U.S. went through a trauma far greater than this—the assassination of a President. The nation was staggered beyond belief, yet its political system was equal to the crisis and America barely broke stride.

"We are witnessing to-day an unprecedented series of events in American Government. There are *serious* questions about the actions of a President and those closest to him—a disbelief in the minds of millions of people about anything emanating from the Administration.

"Here again, however, we mu keep the crisis in perspective. T U.S. has a judicial system pa terned after yours. We procla ourselves to be a government laws, not men. The judici system must be strong enoug and swift enough to adminis those laws fairly and objectiv

"*I wish I could assure you th* America's internal problem wou disappear in a matter of days weeks. But the currents are ru ning too strong for this to ha pen. Perhaps we Americans li to put our system to the te now and then, hoping that if survives it will be stronger f the ordeal it has suffered.

He went on: "We can be ce tain that regardless of futu events, change has alread occurred in the political life the U.S. The news media hav emerged as an even more pr found influence in the politic system, the secrecy of the Gran Jury has been further impaire the challenge of the legislati branch to the powers of th executive has gained momentu The structure of two-par Government has been weaken by public disapproval of pa politics and partisan politicia

هكذا علمنا الأهل

# Maplin port plan wasteful —Docks Board head

BY RAY DAFTER

STRONG attack on the Port London's plans for a £50m. tport at Maplin was made sterday by Sir Humphrey owne, chairman of the State-ned British Transport Docks ard. London's proposals for a itainer terminal at Maplin was "waste of money," he said.

Sir Humphrey said he also felt re were cheaper ways of ommodating super-tankers n at specially constructed ths. Off-shore mono-buoys, re-ring no quay space seemed acceptable alternative, hough he was willing to leave decision on an oil terminal the oil companies.

His comments, made at the ard's annual Press lunch in idon, bring out into the open feelings long held in the ionalised group of docks, ch include Southampton, Hull the South Wales ports. The rd feels that the container hs could be provided at thampton at half the cost of e proposed at Maplin. "In respect I am saying that the lin container port is a waste noney."

## litical decision

evertheless he thought the sion to go ahead with both Maplin airport and seaport ld largely be a political one. ie growth in container and on, roll-off traffic at South-ton has contributed to an rovement in the group's icial results. Last year's lus of £8.4m. is likely to be exceeded considerably, judging by the results of the first nine months of 1973.

Much of the improvement results from the turnround in affairs at Hull, which lost more than £1m. last year. Sir Humphrey said *the port was now trading profitably*, although the current waves of lightning strikes over a wage dispute and a demarcation dispute between dockers and lorry drivers represented a "shadow" which could have long-term consequences.

Speaking of Hull's revival, he said shipowners had already *given the port a second chance.* "Will they give us a third chance?

"While these latest difficulties represent a kink in a curve rather than a disaster, I find it ironic that such a small number of people, certainly in the minority, and unsupported by their union, can do so much damage."

Referring to the negotiations over the closure of Barrow docks, Sir Humphrey said it had been decided to keep open the commercial dock until September, 1974. The Board was receiving £85,000, mainly from local authorities, as compensation for money lost in the exercise. As a commercial port Barrow has been losing more than £100,000 a year.

The docks need to be kept open, however, to allow Vickers to launch and repair ships. The Board has offered to sell the port to Vickers for just over £500,000 although there is said to be a "big gap" between the asking and offer price.

Sir Humphrey said he had little confidence that Barrow would stay open as a commercial dock. "It is insupportable that the port should continue to be *funded through the Docks Board* to increase the profits of Vickers' shareholders. We intend to be tough."

The Board is continuing to modernise the fish docks at Hull, Grimsby, Lowestoft and Fleetwood at a total cost of £8m.—60 per cent. covered by Government grants — but Sir Humphrey *warned that in view of the cut-back* in public spending other schemes would have to be restricted or delayed.

Referring to the Channel Tunnel's effect on South and East Coast ports—Southampton in particular—the chairman said that if the consultants' estimates were right there was not only room for a tunnel and ports but a need for both.

# Building material makers foresee slow growth in output

BY MICHAEL CASSELL

SLOW GROWTH in the rate of output of the construction industry during 1974 was forecast yesterday by the National Council of Building Material Producers.

The council says it is particularly concerned at the relatively small increases in output now foreseen, in view of the capital invested in new production capacity by materials producers in order to meet anticipated demand.

## Estimate down

Material manufacturers now expect output in the current year to show an increase of only 2 per cent. over 1972. In July, they were saying that work levels would rise by 5.5 per cent. in the current year.

In 1974, they expect output to rise by a further 2 per cent. on this year, a less optimistic forecast than that made in July, when an increase of 3.5 per cent. was envisaged.

In detail, the council's forecasting committee expects the level of council housing starts made during the current year to reach about 110,000. Completions should be of the same order, although it had been originally thought that these would reach 115,000.

The council expects an upturn in activity in the local authority housing sector next year, with a static situation in the private housing market encouraging builders to switch *activities*. Starts and completions should each total about 120,000.

Work is expected to have started on some 220,000 private homes in the year ending in December, 1973, with 1974's total expected to fall back to 200,000. Completions this year are forecast at only 190,000, but these should rise to 210,000 in the following 12 months.

The council says that the question of land availability for private developers now appears to be a *minor* problem when other constraints, such as the price of new homes and the availability of mortgage finance, are taken into account.

*Its* report says: "The fear must be that there might be another loss of craftsmen to other industries during the winter at a time when there appears to be little incentive to housebuilders to start or to complete houses and when there are reports of sites being closed."

## Public works

Output in the public works sector is expected to have shown an increase of 3.5 per cent. in the current year, but this is expected to remain static in 1974.

Private industrial work, believed to have risen by 8 per cent. this year, will grow by *another 5 per cent. in 1974.* Private commercial output is thought to have grown by 7 per cent. this year, and a 3 per cent. increase is now forecast for the following twelve months.

## BP GRANT TO OXFORD COLLEGE

BP is making a grant of £12,000 over three years to Keble College, Oxford, to endow a fellowship for practising teachers from schools and colleges, the company said yesterday.

# British Midland sells two airliners to Brazil

Y MICHAEL DONNE, AEROSPACE CORRESPONDENT

ISH MIDLAND Airways has two of its One-Eleven jet iers to Brazil, and has d another to Court Line ion. It has also extended the of its two Boeing 707s to n Airways.

ese arrangements, an-ced by British Midland rday, follow its decision to iraw from the inclusive-tour ay charter market, and con-ate exclusively on scheduled ces, within the U.K. and to ern Europe, using its 12 unts and three Dart Herald -prop aircraft.

tish Midland is part of the ter Assets banking and in-ice group.

e two One-Elevens for Brazil going to Transbrasil, a domestic airline. Finance for this deal has been arranged by Arbuthnot, Latham and Company, merchant bankers. Also involved is Templewood Aviation, of Windsor, international aircraft brokers.

The One-Eleven going to Court Line is on an 18-months' lease basis.

The two Boeing 707s are *already on lease* to Sudan Airways, and the extension of this arrangement will ensure their continued use by Sudan Airways until July, 1974.

Sudan Airways has taken options to use the services and facilities of British Midland beyond that date, and for the U.K. airline to help in the introduc*tion of new aircraft to the Sudan* Airways fleet.

# World merchant ship fleet grows by 8%

By James McDonald, Shipping Correspondent

THE WORLD merchant shipping fleet expanded over the past year by 21.6m. gross tons—over 8 per cent.—to a new record of 289.9m. tons, according to Lloyd's Register of Shipping statistics.

Liberia's "flag of convenience" fleet, which has consolidated its world lead, expanded during the year by 5.46m. gross tons to 49.9m. tons. Japan retained its second place with a growth of 1.86m. tons to 36.79m. tons, while Britain remained third in the world shipping flag "league" with 30.16m. tons—1.54m. tons more than a year before.

The Greek-flag fleet also grew substantially, by nearly 4m. tons, to 19.3m. tons, placing Greece fifth in the table.

Statistics show that the world total of oil tankers—115.4m. gross tons—grew during the year by *over* 10m. tons and now represents 39.8 per cent. of all merchant ships.

The world total of ore and bulk carriers of 6,000 gross tons or more also grew over the past year by over 9m. tons to 72.6m. tons. This represents 25.1 per cent. of the world merchant fleet.

The total of fully cellular containerships has now reached 5.9m. tons. The total of general cargo (conventional) ships declined during the year to 69.5m. tons.

Individual sizes of ships are continuing to grow, the number of ships of 200,000 to 275,000 deadweight tons and upwards now totalling 293.

# Robin Lane Fox wins Duff Cooper prize

MR. Robin Lane Fox has been awarded the Duff Cooper Memorial Prize for his biography of Alexander the Great, which is being published on Monday by Allen Lane. It will be reviewed by C. P. Snow on next Thursday's book page.

The prize is awarded annually for the book that, in the opinion of the judges, Duff Cooper would have most enjoyed. Previous winners have included Quentin Bell, Geoffrey Grigson and George D. Painter.

Mr. Lane Fox will be familiar to readers of this newspaper for his weekly gardening articles, a collection of which will appear in book form next year, and more recently for his regular book reviews. He was educated at Eton and Oxford, where he won a prize fellowship at Magdalen College. *Alexander the Great* is his first book.

# BURNS-ANDERSON

the Annual General Meeting on November 8th, 1973, Chairman William Burns reported—

| | 1973 £ | 1972 £ |
|---|---|---|
| nover | 8,601,591 | 6,078,475 |
| up Profit before taxation | 531,859 | 285,835 |
| up Profit after taxation | 284,316 | 169,695 |
| of Dividend | 15.75% | 15.00% |
| ings per Share | 5.3p | 3.7p |

Net tangible assets increased during the year from £1,766,246 to £3,452,266. Major part of this came from issue of £1,500,000 Partly Convertible Loan Stock raised during year.

Earnings per share increased by 43%.

All trading subsidiaries increased profit during the year and commenced the current period with strong order books. These companies cover steel and electrical goods distribution, shop-itting and the car distribution subsidiary.

Property Development. Development of commercial and ndustrial properties for sale and investment are receiving a trong volume of enquiries. Further sites have been acquired luring 1973/74, one for 200,000 square feet of letting space.

Property Investment. Gross rentals increased from £130,066 o £288,889 although the net increase was only marginal from 33,516 to £39,931 after deduction of servicing borrowings. evaluations during year established an increase in asset back-ig of £318,485. Further surplus is expected in coming year.

-Anderson Ltd., Rowsley Grove, Reddish, Stockport.

# CITY AND INTERNATIONAL TRUST LIMITED

## Chairman, Mr. B. A. C. Whitmee

The Forty-seventh Annual General Meeting will be held at 100 Wood Street, London EC2P J on Tuesday, 27th November, 1973, at 4.30 p.m.

### Ten-year Record

| ar to 1st ugust | Gross revenue £ | Net revenue for Ordinary Shareholders £ | Ordinary dividends Cost £ | Ordinary dividends Gross Rate % | Surplus revenue retained £ | Gross assets less Current Liabilities £ | Net asset value per share Actual p | Net asset value per share Adjusted* p |
|---|---|---|---|---|---|---|---|---|
| '64 | 423,679 | 174,434 | 137,200 | 7 | 37,234 | 8,454,000 | 48¾ | |
| '65 | 467,494 | 194,969 | 164,500 | 8+½ | 30,469 | 8,099,000 | 46½ | |
| '66 | 495,925 | 222,609 | 171,857 | 8+½ | 26,445 | 7,738,000 | 43¼ | |
| '67 | 428,865 | 277,988 | 272,000 | 8½ | 18,044 | 9,529,000 | 57¼ | |
| '68 | 483,973 | 321,275 | 288,000 | 9 | 37,795 | 14,216,000 | 93¾ | |
| '69 | 515,010 | 311,537 | 296,000 | 9½ | 21,977 | 13,099,000 | 74 | 76 |
| 70 | 579,770 | 338,527 | 312,000 | 9¾ | 25,867 | 12,641,000 | 70½ | 72½ |
| 71 | 577,510 | 351,645 | 320,000 | 10 | 22,962 | 15,275,000 | 91 | 91¾ |
| 72 | 583,630 | 366,055 | 336,000 | 10½ | 17,638 | 19,008,000 | 120¼ | 118¾ |
| 73 | 663,265 | 410,768 | 368,000 | 11½ | 42,067 | 16,942,000 | 101½ | 101½ |

* Allowing for conversion of the Loan Stock

In 1969, £984,616 Convertible Unsecured Loan Stock was raised by a "rights" issue. dends and net asset values prior to 1969 have been adjusted for capitalisation issue in that

From 1965 onwards the asset values are subject to surrender of 25 per cent. of the stment currency premium where appropriate and liability to capital gains tax on realisation ie whole portfolio.

*Copies of the Report and Accounts and Chairman's Statement can be obtained from Wood Street, London EC2P 2AJ.*

NOTICE OF REDEMPTION

To the Holders of

## RICHARDSON-MERRELL OVERSEAS FINANCE N.V.

### 8¾% Guaranteed Debentures Due December 15, 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of December 15, 1970 providing for the above Debentures, $500,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on December 15, 1973, through operation of the Sinking Fund, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date:

DEBENTURES OF $1,000 EACH

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M-13 | 1117 | 2287 | 3135 | 4510 | 5548 | 6546 | 7354 | 9044 | 10066 | 11001 | 12208 | 12913 | 14395 | 15308 | 16551 | 17918 | 18908 |
| 50 | 1181 | 2321 | 3224 | 4523 | 5624 | 6585 | 7363 | 9084 | 10104 | 11055 | 12232 | 12946 | 14423 | 15351 | 16566 | 17965 | 18954 |
| 79 | 1220 | 2350 | 3275 | 4562 | 5662 | 6610 | 7431 | 9117 | 10124 | 11132 | 12250 | 12987 | 14466 | 15402 | 16631 | 18011 | 18982 |
| 110 | 1252 | 2397 | 3309 | 4654 | 5691 | 6640 | 7464 | 9159 | 10150 | 11147 | 12269 | 13037 | 14495 | 15448 | 16633 | 18054 | 19012 |
| 157 | 1298 | 2449 | 3352 | 4685 | 5749 | 6659 | 8026 | 9217 | 10178 | 11209 | 12287 | 13099 | 14507 | 15514 | 16686 | 18067 | 19052 |
| 185 | 1333 | 2487 | 3401 | 4694 | 5766 | 6691 | 8068 | 9253 | 10189 | 11274 | 12307 | 13183 | 14513 | 15576 | 16691 | 18119 | 19086 |
| 225 | 1342 | 2513 | 3434 | 4697 | 5790 | 6715 | 8093 | 9298 | 10203 | 11310 | 12328 | 13307 | 14552 | 15614 | 16747 | 18150 | 19117 |
| 258 | 1371 | 2528 | 3496 | 4805 | 5862 | 6749 | 8128 | 9351 | 10264 | 11340 | 12355 | 13427 | 14615 | 15671 | 16757 | 18190 | 19140 |
| 313 | 1444 | 2567 | 3537 | 4813 | 5881 | 6781 | 8160 | 9393 | 10271 | 11411 | 12375 | 13531 | 14639 | 16014 | 16787 | 18224 | 19166 |
| 339 | 1452 | 2596 | 3580 | 4835 | 5894 | 6806 | 8189 | 9423 | 10310 | 11421 | 12405 | 13576 | 14665 | 16054 | 16809 | 18274 | 19194 |
| 363 | 1475 | 2624 | 3619 | 4909 | 6050 | 6835 | 8226 | 9466 | 10338 | 11435 | 12431 | 13684 | 14695 | 16058 | 16874 | 18309 | 19236 |
| 390 | 1498 | 2658 | 3663 | 4937 | 6071 | 6862 | 8269 | 9514 | 10375 | 11523 | 12453 | 13768 | 14722 | 16079 | 17031 | 18334 | 19262 |
| 447 | 1529 | 2694 | 3678 | 4958 | 6100 | 6899 | 8307 | 9554 | 10422 | 11577 | 12487 | 13860 | 14744 | 16106 | 17050 | 18374 | 19294 |
| 478 | 1565 | 2704 | 3719 | 5038 | 6122 | 6928 | 8338 | 9585 | 10424 | 11578 | 12509 | 13929 | 14765 | 16127 | 17185 | 18403 | 19312 |
| 524 | 1602 | 2739 | 3741 | 5057 | 6154 | 6954 | 8380 | 9617 | 10492 | 11623 | 12528 | 14006 | 14810 | 16155 | 17263 | 18438 | 19344 |
| 582 | 1631 | 2766 | 3771 | 5101 | 6170 | 6977 | 8426 | 9655 | 10499 | 11702 | 12549 | 14031 | 14828 | 16171 | 17324 | 18469 | 19368 |
| 605 | 1667 | 2806 | 4057 | 5160 | 6205 | 6998 | 8467 | 9667 | 10526 | 11773 | 12570 | 14067 | 14833 | 16218 | 17360 | 18509 | 19421 |
| 652 | 1704 | 2829 | 4069 | 5193 | 6240 | 7035 | 8527 | 9719 | 10602 | 11795 | 12602 | 14089 | 14863 | 16233 | 17393 | 18535 | 19456 |
| 675 | 1753 | 2857 | 4085 | 5204 | 6273 | 7054 | 8592 | 9741 | 10642 | 11887 | 12630 | 14119 | 14887 | 16270 | 17423 | 18568 | 19493 |
| 716 | 1842 | 2878 | 4092 | 5274 | 6295 | 7087 | 8642 | 9763 | 10645 | 11901 | 12656 | 14158 | 14926 | 16281 | 17455 | 18586 | 19540 |
| 750 | 1887 | 2903 | 4217 | 5275 | 6322 | 7136 | 8682 | 9786 | 10693 | 12012 | 12683 | 14175 | 14948 | 16329 | 17478 | 18624 | 19576 |
| 786 | 1924 | 2939 | 4218 | 5282 | 6354 | 7167 | 8722 | 9809 | 10724 | 12036 | 12709 | 14209 | 14982 | 16334 | 17550 | 18656 | 19643 |
| 838 | 2027 | 2962 | 4224 | 5397 | 6366 | 7187 | 8770 | 9831 | 10760 | 12061 | 12736 | 14242 | 15053 | 16376 | 17579 | 18684 | 19688 |
| 866 | 2073 | 2996 | 4305 | 5421 | 6386 | 7194 | 8844 | 9871 | 10814 | 12078 | 12755 | 14276 | 15100 | 16401 | 17610 | 18722 | 10723 |
| 916 | 2099 | 3022 | 4355 | 5458 | 6427 | 7223 | 8875 | 9899 | 10873 | 12103 | 12785 | 14299 | 15141 | 16452 | 17720 | 18766 | |
| 1003 | 2168 | 3077 | 4368 | 5465 | 6447 | 7256 | 8906 | 9917 | 10883 | 12130 | 12818 | 14328 | 15187 | 16478 | 17755 | 18789 | |
| 1063 | 2221 | 3107 | 4426 | 5530 | 6481 | 7299 | 8951 | 10036 | 10976 | 12158 | 12850 | 14353 | 15229 | 16488 | 17818 | 18816 | |
| 1113 | 2246 | 3115 | 4475 | 5542 | 6520 | 7315 | 8996 | 10042 | 10999 | 12185 | 12863 | 14373 | 15277 | 16550 | 17851 | 18866 | |

On December 15, 1973, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Debentures will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the **corporate trust office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N. Y. 10015,** or (b) at the main offices of any of the following: Morgan Guaranty Trust Company of New York in Brussels, Frankfurt am Main, London, Paris and Zurich; Banca Morgan Vonwiller S.p.A. in Milan and Rome; Bank Mees & Hope N.V. in Amsterdam; and Kredietbank S.A. Luxembourgeoise in Luxembourg. *Payments* at the offices referred to in (b) above will be made by check drawn on a bank in New York City or by transfer to a dollar account maintained by the payee with a bank in New York City.

Coupons due December 15, 1973 should be detached and collected in the usual manner.

On and after December 15, 1973 interest shall cease to accrue on the Debentures herein designated for redemption.

RICHARDSON-MERRELL OVERSEAS FINANCE N.V.

Dated: November 9, 1973

NOTICE

*The following Debentures previously called for redemption have not as yet been presented for payment:*

M-5987 8660 8675 13129 14189

## BUSINESSES FOR SALE

### Rome Restaurant/Nightclub

Deluxe 1000 metre 530 seat restaurant nightclub bar and discotheque central Rome. Luxuriously furnished, air-conditioned. Opened and profitably operating 6 times, expenses priced at 1½ times net earnings—grosses 6 times expenses after taxes.

Rent less than $1000 pm. Value of furnishings, air-conditioning, etc. ⅓ of selling price. Well-disciplined staff. Price $430,000. Should pay back investment in two years. Sole motive for sale failing health of owner-operator.

*For appointment to inspect and/or further details, telephone MISS BISHOP, 01-235 9672 or write Box E.1616, Financial Times, 10, Cannon Street, EC4P 4BY.*

### Gastronomical Concern

with 3 branches in Bremen-City, well introduced, turnover approx. DM 1.5 m. p.a., to be sold 1.1.1974. Modern equipment. Employees ready to stay. Negotiation basis DM 500,000. Financing possible.

**CLUB ENTERTAINMENT GMBH**
D 28 Bremen 1 — Tannhäuserplatz 1
Telephone Germany (0-421) 49 48 07
10 a.m.—4 p.m.

### CONTINENT: RETAIL SHOPS: LADIES' OUTERWEAR

The Company operates 14 stores selling ladies' fashion outerwear (coats, dresses) and children's wear.

Annual Turnover is £3.5m.

Please contact Box E.1606, Financial Times, 10, Cannon Street, EC4P 4BY.

### FOR SALE OR MERGER IN BELGIUM

Long established, leading and profitable garage and industrial equipment importing and distribution company. Approximate yearly sales: £700,000. Written inquiries only with full details of inquirer's business and status please.

Marketing Services, Neerpoorten 43, 1870 Wolvertem, Belgium

### HARDWARE MINI-SUPERMARKET—SURREY TOWN

Superbly fitted shop (40ft. x 100ft.). Commanding High St. site. Fast growing town. Under management since estab. 1971. Fully staffed. Takings average £1,200 weekly at 35 per cent. profit. Personal direction could produce £6,000 net profit now with prospects of double. Val. long lease. 3 bdrm. flat. Office, stores and yard with side access. A fine business investment at the bargain price of £10,000 s.a.v. (£16,000). Loan finance available.

Ronald A. Rawlings Ltd., 140 High Street, Godalming. Tel: 6136/6137.

### ACQUISITIONS AND MERGERS

We are a successful operation, specifically geared to find and negotiate acquisitions and mergers on behalf of expanding companies. Acting in an exclusive capacity for one public company alone, we were successful in acquiring eight relatively substantial private companies over the last year. If you feel that we could be of assistance to you, write Box E.1580. Financial Times, 10, Cannon Street, EC4P 4BY.

### FOR SALE
### GENERAL ENGINEERING COMPANY

(Location:—North East—Special Development Area)
Modern, well equipped factory comprising fabrication and machine shop facilities which together with single storey offices occupy an area of approximately 12,000 sq. ft. on a level and accessible site area of 37,800 sq. ft. Plans exist to enable a further 9,500 sq. ft. to be added to the factory area.
The majority of the machinery has been installed within the last 5 years. Turnover, currently around £130,000 per annum is increasing and the company has a good order book plus excellent connections with many well established concerns.
For further information apply.
Box E.1508, Financial Times, 10, Cannon Street, EC4P 4BY.

### OFFERED FOR SALE IN THE NETHERLANDS

One of the leading, still rapidly expanding TYRE TRADING COMPANIES in the largest industrial centre of the Netherlands. *Annual turnover over HFL 5 million. High earning-capacity.* The company, including buildings, is private property.
Please write to
Mr. N. Meijer, Ribesstraat 7, Berkel & Rodenrijs. (Holland)

### PRINTING BUSINESSES FOR SALE

*Periodical and General Printing Company, on SW London* border with well established connection, trade of about £175,000 and good premises on favourable lease. Opportunity for development. Price around £100,000. Owners retiring.

Catalogue and General Letterpress and Litho Company, about 50 miles London, profitable trade of £225,000, good freehold premises. Price £150,000.

Inquire of:
*COLEBROOK, EVANS & McKENZIE,*
*Valuers & Business Brokers to the Printing Industry,*
5, Quality Court, Chancery Lane,
London WC2A 1HP.
Telephone: 01-242 1632/9.

### ENGINEERING COMPANY FOR SALE

Profitable North London company for sale specialising in precision and filtration engineering. The Company is fully productive but without top management. Annual turnover in excess of £150,000 and net tangible assets in excess of £100,000. Company has lease of 10,000 sq. ft. of premises incorporating machine shop and fabrication facilities at £4,200 p.a. until 1984.
For further information write to Box E.1607, Financial Times, 10, Cannon Street, EC4P 4BY.

### DATA PREPARATION BUREAU FOR SALE

Surrey/Hants borders t/o £15,000 p.a. and growing. Capacity for paper tape and EPC work. 6 Punch/Verifiers. 2 Flexowriters. Established customers.
*PRICE £10,000*
*Write Box E.1585, Financial Times, 10, Cannon Street, EC4P 4BY.*

**SOLID FUEL STOVE BUSINESS.** This Old Established Business for Sale—Turnover £14,000-£15,000. Write Box E.1557. Financial Times, 10, Cannon Street, EC4P 4BY.

**RESTAURANT/COFFEE BAR.** Established business occupying modern premises in Birmingham City Centre; turnover £350 per week. £12,000 for lease, goodwill, fixtures and fittings. George Robinson & Partners, Tel: Lichfield 53322.

### MAIN DEALER IN THE CAR RETAIL BUSINESS FOR SALE

Situated in the East Midlands in a very prosperous town including 2 freehold premises as well as the shares of an operating company. Turnover approximately £500,000 p.a.
*For further information apply—*
TOBIN & COMPANY.
*Specialist Estate Agents to the Garage and Filling Station Trade.*
12 St. John's Street, Stamford, Lincs.
Tel. Stamford 2351.

### FOR SALE IN WEST GERMANY

Large Motor sales and repair organisation, commercial and private, modern purpose built freehold buildings—excellent investment.
*Write Box E.1612, Financial Times, 10, Cannon Street, EC4P 4BY.*

### PROPERTY COMPANY

Scottish Property Company for Sale. Capital £300,000. Substantial tax losses amounting to approximately £175,000. Discussions invited. Please write in first instance to Box E.1549. Financial Times, 10, Cannon Street, EC4P 4BY.

### LIMITED COMPANY FOR SALE

Excellent progressive trading figures. Easily managed business. Good staff. Suit individual looking for worthwhile business or company wishing to diversify. Price commensurate with profits £20,000.
*Write Box E.1611, Financial Times, 10, Cannon Street, EC4P 4BY.*

### COTSWOLD BUILDING CONTRACTORS BUSINESS

well established, for sale after 4 generations. Loyal staff, high quality contracts, specialist work undertaken. Turnover £200,000 p.a. For sale at £25,000 including assets, plus work in progress. Well recommended. For further information please contact Woodcocks, 11, St. George St., London, W.1. Ref. G.H.W.

### JERSEY, C.I.

Active group of established companies, fire engineers and security appliances for sale. Well established concerns. Audited figures available.
*Principals only to:*
*FISHER, CROSBEE & COMPANY,*
35/39, Colomberie, St. Helier, Jersey, C.I.

**WEST WALES,** share capital for sale in an established drug store business occupying premises in a first class trading position within a popular town and holiday resort. Further information is available in confidence following applications in writing to Messrs. W. H. Cooke & Arkwright, Chartered Surveyors, 1, Old Bridge, Haverfordwest, Pembs.

**BATTLE.** Builders yard and joinery works. £25,000 Freehold. Graham Walker & Co., Chartered Surveyors. Battle 2237/9.

**MOTOR BUSINESS** with leading Agencies and well equipped Workshop for sale or rental. Prime position in Reading area. Write Box E.1624, Financial Times, 10, Cannon Street, EC4P 4BY.

## BUSINESSES WANTED

### Transport company aquisition

An International transport group is interested in acquiring a small to medium sized transport business. Profitability is not the prime requisite.
The requirements are:–

(a) Emphasis on parcels or groupage to France or other E.E.C. countries.

(b) or emphasis on scheduled parcels services within the U.K., preferably London or Midlands based.

(c) Worthwhile revenue at a sensible rate.

Write in confidence to:–
THE MANAGING DIRECTOR,
Box No. E.1571, The Financial Times, Bracken House, 10 Cannon Street, London, EC4.

### SMALL—MEDIUM SIZED PAINT AND WALLPAPER MERCHANT(S)

required by private individual.
Preferred area Midlands/North Midlands.
*Please write in confidence with full particulars to:*
**BOX NO. E1572,**
Financial Times, 10, Cannon Street, EC4P 4BY

### OVERSEAS INSURANCE COMPANY

with well-established London connection wishes to buy small to medium sized British registererd Insurer, trading or dormant. Please address replies to Box E.1610, Financial Times, 10, Cannon Street, EC4P 4BY.

### TO DIRECTORS OF PRIVATE COMPANIES

Engaged in Offshore Oil Services, Environmental Control, Leisure Marine and other Leisure activities. A medium-sized public company with exciting growth prospects and major interests in Europe wishes to acquire private companies with profits before tax between £50,000 and £1 million.
*Write to Box E.1613, Financial Times, 10, Cannon Street, EC4P 4BY.*

### AN EXPANDING ENGINEERING COMPANY

Seeks new bases for growth in South Wales and the West of England. It would be interested to hear from the proprietors of companies engaged in jobbing engineering, especially those offering a repair and maintenance service to industry. Size and profit record are of less importance than good contacts with local industry. Replies will be dealt with in the strictest confidence by the Managing Director. Write Box E.1615, Financial Times, 10, Cannon Street, EC4P 4BY.

### WANTED PRIVATE PROPERTY COMPANIES

Substantial quoted Public Property Company will acquire for cash and/or shares the entire or majority share capital of private property companies.
Present management could be retained as purpose of acquisition will be expansion, not "asset stripping."
Replies in confidence to: Box No. E.1024, The Financial Times, Bracken House, Cannon Street, London, E.C.4.

### MANUFACTURING JEWELLERS

A well known company wishes to purchase small medium efficient manufacturing jewellers with good management and staff, preferably making fine quality goods—Would consider a majority shareholding if total equity not available. Write Box E.1614. Financial Times, 10, Cannon Street, EC4P 4BY.

### NORTHERN-BASED TRANSPORT COMPANY

wishes to purchase going concern with approximately three to four acres in the areas of West Middlesex/Bucks.
*Write Box E.1620, Financial Times, 10, Cannon Street, EC4P 4BY.*

### MOTOR DISTRIBUTION

A substantial acquisition in the Distribution field is now sought by this well known business in the Retail Motor Trade.

This presents an unusual opportunity for Companies considering disposal to become associated with this long established family business.

All replies will be treated in strictest confidence Full cash resources available.

The Chairman,
GROSE HOLDINGS LIMITED,
Queens Park Parade,
Northampton.

GROSE

Well known and established firm of professional Surveyors, Valuers and Estate Agents, having substantial funds available, are seeking as part of their expansion programme a

### CITY OF LONDON PRACTICE

Basis of negotiation can be open and no objection to the services of the principal continuing.

Arrangements for preliminary discussion communicate with
R. M. Reed, Esq., Richards Butler & Co.,
Solicitors, Stone House,
128/140 Bishopsgate, London, EC2M 4HY.

### PUBLIC COMPANY

with considerable funds available is interested in acquiring food or food related companies, including beverages.
Write giving details of operations and current accounts.
Principals only.
Write Box E.1439, Financial Times, 10, Cannon Street, EC4P 4BY.

### FOUNDRY WANTED

General purpose foundry required in central southern England as a base for considerable expansion. Profitability unimportant but scope for enlargement essential. Please reply to:
*The Chairman, Box E.1622, Financial Times, 10, Cannon Street EC4P 4BY.*

### ADVERTISING AGENCY
London Area

For outright purchase, or amalgamation with successful executive selection business. Propositions welcomed.
*Please write to Box E.1621, Financial Times, 10, Cannon Street, EC4P 4BY.*

### NORTHERN DEVELOPMENTS

*require* House Building and Property Development Companies in East Anglia, South East, Home Counties, Hampshire. Companies must be making profits around £50,000 or more. Cash and quick decision immediately available for right companies existing management and full professional team retained if desired.
*Write or phone with up to date accounts and land schedules to:—*
D. H. Barnes, Chairman,
Northern Developments (Holdings) Limited,
Elizabethan House,
P.O. Box 48, Preston New Road,
Blackburn, Lancs.
Telephone Blackburn 63461.

### PRINTING COMPANY REQUIRED

A substantial Group wishes to purchase outright a medium to large sized Letterpress or Lithographic Printing Company, situated within 2½ hours motoring distance from London. Turnover above £400,000 per annum. Principals only apply to Box E.1602, Financial Times, 10, Cannon Street, EC4P 4BY,

### FRANCIS PARKER PROPERTIES LTD.

We are a public company wishing to acquire privately owned companies or investment portfolios with asset values *between £100,000 and £1,000,000.* We are particularly interested in the South and West of England. If you are the principal of a private or family company, and would wish to discuss these matters more fully, please reply in confidence to Box E.1623, Financial Times, 10, Cannon Street, EC4P 4BY.

### LLOYDS INSURANCE BROKERS

Expanding Provincial Incorporated Insurance Brokers with growing Lloyds account wish to acquire a small to medium-sized established firm of Lloyds Insurance Brokers. Existing Management would be protected. Purchase to be by cash or public quoted shares. Write Box E.1618. Financial Times, 10, Cannon Street, EC4P 4BY.

## HOTELS AND LICENSED PREMISES

### Knight Frank & Rutley

IMMACULATE
**LONDON HOTEL FOR SALE**
FREEHOLD & LICENSED
SIXTY ROOMS
BAR LOUNGE
RESTAURANT
LIFT
PRICE £700,000

20 Hanover Square, London W1R 0AH
01-629 8171

### HOTEL IN SUPERB CLIFF-TOP POSITION ON MID-SOUTH-WEST COAST

Approx. 5-acre site. At present 16 bedrooms with over 60% average occupancy. Luxury restaurant. Annual turnover approx. £70,000. Planning permission for 16 additional double bedrooms with bathrooms and eight 2- to 4-roomed luxury suites. The whole in an area of outstanding potential due to development of international yachting centre. For sale as a going concern, with planning consent for a substantial six-figure sum.

Write, reference M. Collins, Hale Court, Lincoln's Inn, London WC2A 3UW.

### KINGS CROSS W.C.1

A valuable bed and breakfast hotel consisting of 46 bedrooms, 2 dining rooms, lounge, toilets and bathrooms and all fittings and furniture, etc. Additional room at the rear, subject to permission for 12-15 bedrooms plus shower units. Alternatively could possibly be used as development site for flats. Subject to permission. Genuine viewers only.
FREEHOLD £250,000.
Write Box E.1625, Financial Times, 10, Cannon Street, EC4P 4BY.

### Frank J. Raybould
WESTCOUNTRY HOTEL SPECIALIST AGENTS
66, Babbacombe Road, BABBACOMBE
Phone: Torquay 39375/6/7/8.

**TWO OF SOUTH DEVON'S PREMIER HOTELS FOR SALE**

at £225,000 and £275,000 respectively. Owing to the very confidential nature of these transactions, full details can only be supplied on personal application or correspondence direct to Frank J. Raybould.

### FOR SALE.

LLANDUDNO—48 bedroomed licensed hotel, prominent position, luxury Proprietors flat, excellent turnover.
Apply
L. LENNOX MARTIN LIMITED,
13a Lonsdale Street, Carlisle.
24-hour telephone service,
Carlisle 26234.

### FRANCE

Between Lyon and Marseille adjoining Autoroute and in the Rhone valley. Thriving
MOTEL FOR SALE
in grounds of over 3 acres
77 rooms, 2 restaurants, swimming pool
full details from:
TUDOR JONES & CO.,
125 Pall Mall, London, SW1Y 5EA.
01-839 3013.

**BUSINESS OPPORTUNITIES APPEAR EVERY TUESDAY, WEDNESDAY AND THURSDAY, BUSINESSES FOR SALE AND WANTED APPEAR EVERY FRIDAY**

## APPOINTMENTS

# New chairman for International Paint

Mr. C. A. Hogg has been appointed chairman of the INTERNATIONAL PAINT COMPANY in succession to Mr. J. L. Yeomans, who becomes president of the company. Mr. C. R. Preston vacates the presidency on his retirement.

Mr. Hogg, who was previously deputy chairman of the company, is also chairman of British Celanese, and has been appointed to the Board of Courtaulds, the parent company of both the International Paint Company and British Celanese.

★

Mr. J. G. Mitchell has been appointed managing director of BENBOW DEVON HOLDINGS. Mr. D. R. Benbow will remain chairman of the company.

★

Mr. A. J. Chapman, formerly secretary, has been appointed commercial director of CARLSON-FORD, a subsidiary of the GKN Group.

★

Mr. Frank Quinn has been appointed finance director of FENWICK.

★

Mr. E. McGrath will be joining BRADSTOCK BLUNT AND THOMPSON as a director from January 1.

★

Mr. Dennis Stevenson has been appointed managing director of GEOGRAPHIA, the map publishing subsidiary of Hutchinson. He was previously a director and general manager of the company.

★

Mr. Richard Cory-James has been appointed managing director of STEAD INVESTMENTS (FRANCE).

★

Lord O'Brien of Lothbury, who retired this year as governor of the Bank of England, has been appointed a member of the international council of MORGAN GUARANTY TRUST COMPANY of New York.

★

Mr. R. G. Epstone and Mr. F. E. Plumtree have been appointed joint managing directors of the HEPTON GROUP. Mr. J. H. Epstone has been elected chairman and Mr. O. Schlesinger elected to the Board. Mr. R. G. Epstone and Mr. Plumtree are both directors of George Doland.

★

Mr. Robert H. Smith has been appointed to the Board of H. W. EDGHILL EQUIPMENT as sales director.

★

Mr. Reginald Aston has become the first technical director of the EXPANDED POLYSTYRENE PRODUCT MANUFACTURERS' ASSOCIATION.

★

Mr. W. H. Bishop has been appointed a director of ERSKINE HOUSE INVESTMENT TRUST.

★

Mr. William Pay has been appointed secretary of the BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY to succeed Mr. Paul McGurk from January.

★

Mr. Peter C. Buchanan will retire from the Board of UBM GROUP on November 30. Mr. Buchanan will remain on the Board of DTH Building Materials and certain other subsidiary companies within the group. Following the appointment of Mr. F. J. A. Watson-Baker as group legal adviser Mr. N. W. Otley has been appointed group secretary.

★

Sir Denis Greenhill has been appointed a member of the Security Commission to succeed Lord Garner.

Sir Denis retired as Permanent Under-Secretary at the Foreign Office and head of the Diplomatic Service earlier this month. Lord Garner has left after five years as a member because of other commitments.

★

Sir John Richardson has been elected president of the GENERAL MEDICAL COUNCIL, until July 1977. He replaces Lord Cohen of Birkenhead, who resigned recently at the age of 73 because of ill health. Lord Cohen had been president of the Council for 1[illegible] years and had been a member since 1945.

## RAND SELECTION CORPORATION LIMITED

*(Incorporated in the Republic of South Africa)*

### DECLARATION OF DIVIDEND NO. 113

Notice is hereby given that dividend No. 113 of 35 cents a share (1972: 30 cents), being the final dividend for the year ended 30th September, 1973, has been declared payable to shareholders registered in the books of the corporation at the close of business on 23rd November, 1973, and to persons presenting coupon No. 116 detached from share warrants to bearer. This dividend, together with the interim dividend of 17.5 cents a share declared on 7th June, 1973, makes a total of 52.5 cents a share for the year (1972: 45 cents). A notice regarding payment of dividends on coupon No. 116 detached from share warrants to bearer will be published in the Press by the London Secretaries of the corporation on or about 16th November, 1973.

The transfer registers and registers of members will be closed from 24th November to 7th December, 1973, both days inclusive, and warrants will be posted from the *Johannesburg and United Kingdom* offices of the transfer secretaries on or about 20th December, 1973. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 11th December, 1973, of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the offices of the corporation's transfer secretaries in Johannesburg or in the United Kingdom on or before 23rd November, 1973.

The effective rate of non-resident shareholders' tax is 14.4 per cent.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the corporation and also at the offices of the corporation's transfer secretaries in Johannesburg and the United Kingdom.

Subject to final audit, the abridged consolidated profit and loss account of the corporation and its subsidiaries for the year ended 30th September, 1973, and the abridged consolidated balance sheet at that date, are as follows:

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

| | 1973 R00's | 1972 R000's |
|---|---|---|
| Investment income | 32 488 | 25 777 |
| Revenue from interest, property sales and other sources | 2 427 | 2 586 |
| Surplus on realisation of investments | 2 184 | 2 544 |
| | 37 099 | 30 907 |
| **Deduct:** | | |
| Administration expenses | 1 388 | 1 127 |
| Interest paid | 5 859 | 5 545 |
| Costs of prospecting | 1 532 | 1 927 |
| Provision again loans | 315 | — |
| Provision against investments | 1 590 | 698 |
| | 10 634 | 9 298 |
| Profit, before taxation | 26 465 | 21 609 |
| Taxation and deferred taxation | 331 | 394 |
| Profit after taxation | 26 134 | 21 215 |
| Deduct: Minority interests | 231 | 182 |
| Net group profit | 25 903 | 21 033 |
| **Deduct: Appropriations** | | |
| Dividend No. 112—17.5c per share | 5 957 | 5 105 |
| Dividend No. 113—35c per share | 11 916 | 10 213 |
| Total Dividends—52.5c per share (1972: 45c) | 17 873 | 15 318 |
| Transfer to reserves | 7 473 | 5 396 |
| | 25 346 | 20 714 |
| | 557 | 319 |
| Unappropriated profit from previous year | 3 358 | 2 853 |
| Add: Adjustment thereto arising from changes in currency exchange rates | 52 | 186 |
| | 3 410 | 3 039 |
| | 3 967 | 3 358 |

**CONSOLIDATED BALANCE SHEET**

| | | 1973 R000's | 1972 R000's |
|---|---|---|---|
| Issued capital | | 17 023 | 17 021 |
| Share premium—net | | 105 992 | 105 956 |
| Capital reserve | | 778 | 746 |
| Revenue reserves | | 78 913 | 69 472 |
| | | 202 706 | 193 195 |
| Provision for deferred taxation | | 808 | 716 |
| Loan capital | | 62 694 | 65 110 |
| Minority shareholders' interest in subsidiary companies | | 2 155 | 2 241 |
| | | 268 363 | 261 262 |
| Represented by: | | | |
| Investments | | | |
| At cost less provision and amounts written off | | | |
| Quoted—Market value R689 482 000 (1972: R597 911 000) | | 173 063 | 160 475 |
| Unquoted | | 74 989 | 77 678 |
| | | 248 052 | 238 153 |
| Loans less provision | | 17 102 | 15 655 |
| Property, mineral rights and equipment | | 5 158 | 5 253 |
| | | 270 312 | 259 061 |
| **Current assets:** | | | |
| Cash on fixed deposit and at call | 6 662 | | 11 614 |
| Debtors and Deferred Charges | 11 691 | | 10 596 |
| **Current liabilities:** | 18 353 | | 22 210 |
| Loan capital repaid December 1972 | — | | 2 349 |
| Dividend No. 113 | 11 916 | | 10 213 |
| Creditors | 8 386 | | 7 447 |
| | 20 302 | | 20 009 |
| Net current liabilities (1972: Net current assets) | | 1 949 | 2 201 |
| | | 268 363 | 261 262 |

NOTE:
The net group profit for the year has been arrived at after deducting a provision against investments. This represents a change from the practice of previous years when the amounts written off investments were dealt with as an appropriation of profits. The 1972 comparative figures have been adjusted accordingly.

By Order of the Board
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
London Secretaries
E. Burrows

London Office:
40, Holborn Viaduct,
EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited.
Kent House,
Station Road,
Ashford, Kent.
TN23 1QB.
8th November 1973

هكذا علمني الأهل

# AE & CI LIMITED

(Incorporated in the Republic of South Africa)

## NOTICE TO PREFERENCE SHAREHOLDERS

## DIVIDEND NO. 71

NOTICE IS HEREBY GIVEN that on 8th November 1973 the Directors of AE & CI Limited declared a dividend at the rate of 5½% per annum for the six months ending 15th December 1973 payable on that date to holders of preference shares registered in the books of the Company at the close of business on 23rd November 1973.

The dividend is declared in United Kingdom currency and warrants in payment will be posted from the offices of the transfer secretaries in South Africa and the United Kingdom on 14th December 1973.

Dividends payable from Johannesburg will be paid in South African currency at the rate of exchange ruling on 23rd November 1973.

Any change of address or dividend instruction involving a change in the office of payment, if intended to apply to this dividend, must be received on or before 23rd November 1973 and nembers must, where necessary, have obtained the approval of :he South African Exchange Control Authorities and, if applicable, the approval of any other Exchange Control Authorities having jurisdiction in respect of such changes. Changes of address or dividend instructions to apply to this dividend which do not involve a change in the office of payment must be received not later than 1st December 1973.

In terms of the Republic of South Africa Income Tax Act 1962 (as amended) dividends payable to persons not ordinarily resident nor carrying on business in the Republic or to companies not registered nor carrying on business in the Republic are subject to deduction in respect of non-resident shareholders' tax at the rate of 13.54%.

With regard to warrants despatched from the United Kingdom office, United Kingdom income tax, at the basic rate less, where applicable, the appropriate double tax relief, will be deducted from the dividends paid except in cases where the holders' address and the address to which the dividend is sent are both outside the United Kingdom and in cases (if any) where the company has received from the Inspector of Foreign Dividends in Great Britain a certificate exempting the dividend from United Kingdom income tax.

The transfer books and registers of members in Johannesburg and the United Kingdom will be closed from 24th November 1973 to 7th December 1973 both days inclusive.

By Order of the Board
J. S. M. ORFORD
Secretary

Carlton Centre,
Johannesburg.
[illegible]h November 1973.

Transfer Secretaries:
Consolidated Share Registrars Limited,
[illegible] Marshall Street, Johannesburg, and
Charter Consolidated Limited, Kent House,
Station Road, Ashford, Kent, England.

# Reassurance for banks expected on consumer credit Bill

BY MICHAEL BLANDEN

THE Department of Trade and Industry is expected to reassure the big banks that the new consumer credit legislation, set out in the Bill published last week, will not be allowed to interfere with the running of their traditional overdraft system.

Following the arguments presented by the banks, the Government has included provisions in the Bill which will allow requirements which would inhibit the making of overdrafts to be removed. In spite of this, there still appears to be some concern among the big banks over the way in which the new legislation will operate.

Full application of the proposed rules for consumer credit, including for example the need for a specific agreement between the bank and the customer to be filled in before a loan was made, would make overdraft lending to personal customers virtually impossible.

The overdraft issue is specifically covered in the subsection which says that Part V of the Bill—setting out the rules on the entry into credit or hire agreements—does not apply (with one exception) to "an unsecured debtor-creditor agreement (other than a cancellable agreement) allowing the debtor to overdraw on a current account."

It is intended that the Consumer Credit Commissioner, to be set up by the new legislation, will in effect be able to relax the requirements for banks to enable them to continue making overdrafts, though possibly imposing requirements (such for example as a full statement of charges after the loan is arranged) which would be compatible with the overdraft system.

# Ross Foods sees big freezer market rise

BY PAMELA JUDGE

SOME 32 per cent. of U.K. households are expected to have a deep freezer by 1980 compared with the current estimate of 7.5 per cent. Sales of home deep freeze packs might reach £200m. in the next seven years.

It is against the background of these estimates by Ross Foods that the company, a member of the Imperial Group, is launching a range of products for the rapidly growing home freezer market. Initially the range comprises 22 meat, fish and vegetable products, and this will be extended to 43 items by mid-1974.

Sales of home freezers are now put at over 500,000 units a year against some 50,000 in 1965. At present, the U.K. ownership of such freezers is the third lowest in Europe, where Sweden has the highest number followed by Denmark.

Ross, which claims to be the leading company in the catering and cash-and-carry sectors of the frozen food market, is to spend some £250,000 on advertising its new range.

Mr. Howard Phillips, sales and marketing director, points out that up to now there has been no brand which was consistently available nationally, was subject to rigorous quality control and was packed specially for the freezer owner.

The company is selling the new range through freezer centres and the multiple chains. It has also set up an advisory service for consumers.

This notice is under no circumstances to be construed as an offering of these securities for sale or as a solicitation of offers to buy any of these securities, but appears solely for purposes of information.

NEW ISSUE October 31, 1973

2,000,000 Shares

## Pennsylvania Power & Light Company

Common Stock
(without nominal or par value)

The First Boston Corporation — Drexel Burnham & Co. Incorporated

Blyth Eastman Dillon & Co. Incorporated — duPont Walston Incorporated — Goldman, Sachs & Co. — Halsey, Stuart & Co. Inc.

Hornblower & Weeks-Hemphill, Noyes Incorporated — E. F. Hutton & Company Inc. — Kidder, Peabody & Co. Incorporated

Kuhn, Loeb & Co. — Lazard Frères & Co. — Lehman Brothers Incorporated — Loeb, Rhoades & Co.

Merrill Lynch, Pierce, Fenner & Smith Incorporated — Paine, Webber, Jackson & Curtis Incorporated — Reynolds Securities Inc.

Salomon Brothers — Smith, Barney & Co. Incorporated — Stone & Webster Securities Corporation

Wertheim & Co., Inc. — White, Weld & Co. Incorporated — Dean Witter & Co. Incorporated — Shearson, Hammill & Co. Incorporated

ABD Securities Corporation — Banque Nationale de Paris — Basle Securities Corporation

The Daiwa Securities Co. America, Inc. — EuroPartners Securities Corporation — Robert Fleming Incorporated

Hill Samuel Securities Corporation — Kleinwort, Benson Incorporated — New Court Securities Corporation

SoGen-Swiss International Corporation — UBS-DB Corporation — Warburg-Paribas, Inc.

Yamaichi International (America), Inc. — Baer Securities Corporation

Bank Leu International Ltd. — Suez American Corporation

# Lesser Land hopes for £25m. assets by 1976

By Peter Riddell, Property Correspondent

LESSER LAND, the development subsidiary of the unquoted J. E. Lesser Group of Companies, anticipates that its property assets will exceed £25m. by 1976. At present it has a portfolio worth over £10m., with a further £4m. committed to developments in progress.

The company will be looking for a Stock Exchange quotation by late 1974.

The main reason behind the seeking of a quotation is to help acquisitions. Here, according to Mr. Cyril Lesser, the chairman, the group is "aggressively minded."

Lesser Land also forecasts that total rental income will rise from around £300,000 a year to-day to over £500,000 by the end of 1974.

It is concentrating, in particular, on the Continent and a scheme is being negotiated at present in Frankfurt.

Announcing this at a Press conference in London yesterday, the group, which also has interests in the building and clothing sectors, forecast that pre-tax profits should rise from £512,000 to £700,000 in 1973.

Mr. Cyril Lesser said: "We are aiming at a turnover of over £30m. within the next three years and based on present calculation this should see profits of around £2m."

# Norse to order rigs from British yards

By James McDonald, Shipping Correspondent

NORSE PETROLEUM (U.K.)—a subsidiary of Norse Petroleum A/S of Bergen—is to place soon orders for two oil rig supply vessels with British shipbuilders. The managing owners will be Denholm Maclay and Company of Glasgow, a member of the Denholm Shipping group which will also have a financial interest in the vessels.

The ships will trade in a "pool" agreement set up by Norse Petroleum (U.K.) and Norwegian shipowning interests, which now comprises several supply vessels and other marine units related to the oil industry. A programme of rapid expansion has been agreed upon involving further Norwegian as well as British vessels.

# Expenditure on social benefits £4,200m.

By Lorne Barling

TOTAL EXPENDITURE on social security benefits in the past financial year was £4,200m., more than double the figure of 10 years ago, a new series of statistics out yesterday shows.*

A Department of Health and Social Security report says that £3,000m. was paid into the National Insurance Fund in 1972, including £1,500m. in flat-rate contributions from employers and insured persons. More than £1,000m. came in graduated contributions.

* Social Security Statistics 1972; Department of Health and Social Security; SO £2.25.

# Great future for FMC says Chairman

Group turnover – a new record of £239,000,000

Group profit before tax – £3,054,000

Dividend 12·6% gross compared with 12% for the previous year. This dividend, covered 7·3 times, is the maximum permitted under the Government's counter inflation measures.

Group Reserves – increased by £1,274,000

[illegible]his annual statement, [illegible]hn Stratton, CBE, [illegible]man, said:
[illegible]early every division of the [illegible] has contributed to the [illegible]e in profits that has been [illegible]ved.
[illegible]e results we now see are [illegible] reflection of past and [illegible]ing efforts to rationalise [illegible]dernise all sections of the [illegible]es, eliminating [illegible]table elements and [illegible]ing the efficiency of [illegible]s.
[illegible]ave referred to the sharp [illegible] the price of all meat and [illegible]oducts that occurred in [illegible] months of 1972 and the [illegible]onths of 1973. Though [illegible]ncided with our entry [illegible] EEC, they were due in [illegible]n to other causes and in [illegible]lar to the failure of world [illegible]s to keep pace with [illegible]d. As a result, however, [illegible]e seen the development [illegible]uddenly of price levels not [illegible]rt of those which we have approached more [illegible]lly over the transition [illegible]as we adopted by stages [illegible]ulations governing [illegible]unity trade in agricultural [illegible]ts. At the same time we [illegible]en very large increases in the price of animal feedingstuffs, connected again with circumstances around the world rather than with our joining the EEC.

"In consequence producers have indeed required the higher prices they have been getting for their stock, and especially stock dependent upon bought-in feed. In short, we have entered a period in which the true cost of producing, and of distributing food must be reflected in the price to the consumer.

"The meat industry is a difficult and demanding one in which our company has had its full share of vicissitudes but we have won through and I take this opportunity of renewing my grateful thanks to our 10,000 staff who have worked with such loyalty and enthusiasm and to my Board colleagues past and present for the way in which they have sustained me in implementing our policies. So long as FMC can continue to function as a truly commercial enterprise untrammelled by political or other extraneous interferences of one kind or another I see a great future ahead for the company, its shareholders and its employees".

[illegible]ts for the last 5 years

| | Total Turnover £ million | Group Profit Before Tax £'000 | Gross Ordinary Dividend % | Times Covered |
|---|---|---|---|---|
| [illegible]9 | 160 | 836 | 5 | 2·3 |
| [illegible]0 | 167 | 915 | 8 | 2·0 |
| [illegible]1 | 183 | 1741 | 12 | 3·2 |
| [illegible]2 | 204 | 1600 | 12 | 2·8 |
| [illegible]3 | 239 | 3054 | 12·6 | 7·3 |

[illegible]opies of the complete [illegible]nnual Report and Accounts [illegible]y be obtained from [illegible]e Secretary, [illegible]MC Limited, [illegible]23 Knightsbridge, London, [illegible]1X 7NF.

FMC

# One good developer is worth a million words

As soon as you involve yourself in property development you stir up a hornet's nest of problems.

One slip, one piece of bad advice, can be disastrous. So, instead of taking risks, take some advice from us.

We're property development specialists, and our job is to listen to what you want. And then come up with the right answers.

With experience of projects valued at more than £100m in the last 2 years, there's a mine of information for you to draw on.

If you lack the capital to grow we can help. If you're hunting for a site we'll find it. If you already own a site, we'll finance and supervise the putting up of a new building for you.

And that's only half the story.

For instance, we'll even help you evaluate the most recent technical developments – like whether you need solar reflective glass, or a heat recovery air-conditioning system combined with water cooled light fittings!

In fact, we'll take the whole wearisome problem off your shoulders, cut your costs and help you sail through the complications, the red tape, and the anxiety. To a happy and profitable completion for you.

Our price? No more than a reasonable share in the uplift in the equity that we have created.

Why not 'phone Stuart Lipton today and let him show you what we can do for you?

It'll help you sleep at nights.

Westwood

Building a better environment

Westwood Commercial Holdings Ltd
13 Stanhope Gate London W1Y 6JP
01-499 8666

# APPOINTMENTS

# COMPANY NOTICES

### *UNION CORPORATION LIMITED*

(Incorporated in the Republic of South Africa)

**PAYMENT OF COUPON No. 118**

HOLDERS OF SHARE WARRANTS TO BEARER are hereby informed that Dividend No. 118 being an interim dividend for the year ending 31st December 1973, of 7 cents Republic of South Africa currency per share (equivalent to 4.28458p United Kingdom currency per share) will be payable at the Office of the London Secretaries of the Corporation on and after 28th November 1973 on surrender of Coupon No. 118.

Listing forms may be obtained and coupons lodged at any of the following places:

in LONDON:
At the London Secretaries Office of the Corporation, 8, Basinghall Street, (5th Floor) London, E.C.2. entrance)

in PARIS:
At Lloyds Bank Europe Limited or Banque de l'Indochine

in SWITZERLAND
At Credit Suisse, Zurich,
Swiss Bank Corporation, Basle,
or at any of their branches.

Coupons lodged at the London Secretaries Office must be left four clear business days for examination and may be deposited on or after 19th November 1973, between the hours of 11.00 a.m. and 3.00 p.m. (Saturdays excepted).

South African Non-Resident Shareholders' Tax of 15% having been imposed on that proportion of the dividend declared deemed to be payable out of profits earned in South Africa the effective rate for this dividend is 12.25%. This tax will be deducted irrespective of the domicile of the person surrendering the coupon.

The gross amount of the dividend to be included in any return for United Kingdom Income Tax purposes is 4.28458p, as indicated below:

| | Per 6.25 cents Share |
|---|---|
| United Kingdom currency equivalent of Dividend as declared | 4.28458p |
| South African Non-Resident Shareholders' Tax at 12.25% | 0.52486p |
| | 3.75972p |
| United Kingdom Income Tax at 17.75% on the gross amount of the Dividend of 4.28458p. | 0.76051p |
| Net Amount | 2.99921p |

Per pro.
UNION CORPORATION (U.K.) LIMITED
London Secretaries.
J. W. Lock.

London Secretaries,
Princes House,
95, Gresham Street
LONDON, EC2V 7BS.
9th November 1973

NOTE: Under the double tax agreement between the United Kingdom and the Republic of South Africa South African tax applicable to the dividend is allowable as a credit against the United Kingdom tax payable in respect of the dividend. The deduction of tax at the reduced rate of 17.75% instead of at the standard rate of 30% represents an allowance of credit at the rate of 12.25%, the rate of overseas taxation applicable.

### STEWART & LLOYDS OF SOUTH AFRICA LIMITED

(Incorporated in the Republic of South Africa)

**NOTICE TO SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Members will be held at the Johannesburg Office of the company, 36, Simmonds Southway, Park Central, on 30 November 1973 at 9 a.m. for the purpose of considering and if deemed fit passing with or without modification the following resolutions.

1. A special resolution to increase the authorised ordinary share capital of the company from R11 255 300 to R15 000 000 by the creation of a further 7 489 400 shares of 50 cents each.
2. An ordinary resolution placing the unissued ordinary shares under the control of the directors.

The Ordinary and Preference share transfer books and registers of Members of the company will be closed from 24 November 1973 to 30 November 1973, both dates inclusive. Proxy forms must be lodged at the company's registered office not later than 48 hours before the date of the Extraordinary General Meeting.

A Member entitled to attend and vote at this Extraordinary General Meeting is entitled to appoint a proxy, who need not be a Member, to attend, speak and on a poll to vote in his place.

*By Order of the Board.*
E. A. JOHNSON.
Group Secretary

| | |
|---|---|
| Transfer Secretaries | Registered Office |
| Rand Registrars Ltd., | Cor. Voortrekker |
| Devonshire House | St. & Rhodes Ave. |
| Braamfontein | (P.O. Box 74) |
| Johannesburg. | Vereeniging |
| | South Africa. |
| U.K. Transfer Office | U.K. Office |
| Charter Consldtd. Ltd., | Kennedy Tower, |
| Kent House | St. Chads, |
| Station Road | Queensway, |
| Ashford, Kent. | Birmingham B4 6JF. |
| England | England. |

30 October, 1973.

# PERSONAL

**FORTHCOMING MARRIAGE**

Mr. D. C. Kay
and Miss J. C. Beazley

The engagement is announced between David, son of Mr. and Mrs. J. C. Kay, of Pennypots, 88, St. James Avenue, Thorpe Bay Essex, and June, daughter of Mr. and Mrs W. V. Beazley, of Whitcroft, 39 Thorpe Bay Gardens, Thorpe Bay, Essex.

# RESTAURANTS

# CINEMAS—(Cont.)

# ART GALLERIES

# PLANT AND MACHINERY

# COMPANY NOTICES

### PREVENTION OF FRAUD (INVESTMENTS) ACT 1958

NOTICE IS HEREBY GIVEN that:

1. EASTERN PRODUCE SECURITIES LIMITED of 16 FINSBURY CIRCUS, LONDON E.C.2. has relinquished the Principal's licence issued pursuant to Section 3 of the Act.
2. EASTERN PRODUCE SECURITIES LIMITED has made application to the Department of Trade and Industry pursuant to Regulation 5 of the Prevention of Fraud (Investments) Deposit Regulation 1944 (S R & O 1944 No. 541) for the release of the £500 deposited in pursuance of Section 4 of the Act.
3. Any persons having a claim on the funds representing the deposit should send their names and addresses and details of their claim to the Assistant Secretary, Insurance and Companies Department, Department of Trade and Industry, Sanctuary Buildings, Great Smith Street London S.W.1., not later than 30th November, 1973.

### UNILEVER LIMITED

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the Company, so far as they relate to the Ordinary Shares of the Company, will be CLOSED for one day only on the 7th December, 1973 for the preparation of the dividend warrants payable on the 2nd January, 1974 and that transfers of such Ordinary Shares lodged after the close of business on the 6th December, 1973 will be registered ex dividend.

By Order of the Board.
H. A. HOLMES.
Secretary.

Port Sunlight,
Wirral,
Cheshire.
7th November, 1973.

N.B.

In accordance with the current procedure of The Stock Exchange, London, the 25p Ordinary Shares of Unilever Limited will be made ex dividend on 26th November, 1973.

**AMERICAN SHARES EACH REPRESENTING FOUR 25p ORDINARY SHARES OF UNILEVER LIMITED**

The Agreement between Irving Trust Company, New York (Irving) and National Westminster Bank Limited, London (NATWEST) governing the issue by Irving of Depositary Receipts for the above American Shares against the deposit with NATWEST of 25p Ordinary Shares of Unilever Limited provides that if ex dividend Shares are tendered for deposit with NATWEST during any period to and including the record date fixed by Irving for payment of a dividend on the American Shares, NATWEST shall hold over accepting the Shares so tendered until after such record date.

The record date fixed for payment of the second instalment of the final dividend in respect of 1972 and the first instalment of the interim dividend in respect of 1973 on the American Shares is 6th December, 1973.

### CANADIAN OVERSEAS PACKAGING INDUSTRIES LIMITED

*NOTICE OF A SPECIAL GENERAL MEETING AND OF THE TWELFTH ANNUAL GENERAL MEETING OF SHAREHOLDERS*

NOTICE IS HEREBY GIVEN that a Special General Meeting of Shareholders of Canadian Overseas Packaging Industries Limited, will be held at 7th Floor, 715 Victoria Square, Montreal 126, Quebec, Canada, on Monday the Tenth day of December, 1973, at twelve noon for the purpose of considering and, if deemed fit sanctioning By-Law No. Thirteen of the By-Laws of the Company enacted by the Directors on October 5, 1973, and being a general administrative By-Law providing for the regulation of the affairs of the Company.

NOTICE IS ALSO HEREBY GIVEN that the said Special General Meeting of Shareholders will be constituted and continue as the Twelfth Annual General Meeting of Shareholders for the following purposes:

1. to receive and consider the report of the Directors and the consolidated financial statements of the Company and its subsidiaries for the year ended June 30, 1973, together with the report of the Auditors thereon;
2. to elect Directors;
3. to determine the remuneration of the Directors for the year ended June 30, 1973;
4. to appoint Auditors and to authorise the Directors to fix their remuneration; and
5. to transact such other business as may be transacted at an Annual General Meeting.

The Directors have fixed December 3, 1973, as the record date for determining the Shareholders who will be entitled to vote at the Special General Meeting and Annual General Meeting.

Shareholders who are unable to attend the foregoing Meetings are requested to complete and return the enclosed form of Proxy to the relevant address stated thereon at least 48 hours before the time appointed for the holding of the said Meetings.

By Order of the Board.
M. C. JOHNSTON, Q.C.,
Secretary.

MONTREAL, Quebec, Canada.
November 9, 1973.

### CANADIAN OVERSEAS PACKAGING INDUSTRIES LIMITED

(Incorporated under the laws of Canada)

**DECLARATION OF DIVIDEND**

The Directors have declared the following dividend payable to shareholders registered at the *close of business* on November 23, 1973.

Common Shares (Dividend No. 14)

15 Canadian cents per share making a total of 15 cents per share (12 cents 1972) for the year to June 30, 1973.

In terms of the Company's By-Laws the dividend will be payable in the case of shareholders whose registered addresses on the above mentioned date were shown in the Company's Registers of Members as being:

(i) in South Africa, in South African currency;
(ii) in the United Kingdom, in United Kingdom currency;
(iii) elsewhere, in United States currency.

Dividend warrants will be posted on or about December 28, 1973.

By Order of the Board.
M. C. JOHNSTON, Q.C.,
Secretary.

November 9, 1973.
Head Office:
7th Floor,
715, Victoria Square,
MONTREAL 126,
Quebec, Canada.

### N.B.H.C. HOLDINGS LIMITED

(Incorporated in Victoria, Australia)

**NOTICE OF EXTRAORDINARY GENERAL MEETING TO BE HELD ON 29th NOVEMBER, 1973**

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of N.B.H.C. Holdings Limited will be held on the 24th Floor, 95 Collins Street, Melbourne, Victoria, Australia on Thursday, 29th November, 1973, at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which those numbered (1) and (4) will be proposed as special resolutions:

1. "That the Company be wound up voluntarily."
2. "That Raymond Walter Betts and John Leonard Francome Malley both of Coopers and Lybrand, 461 Bourke Street, Melbourne, 3000 be appointed liquidators for the purpose of such winding up and that it be determined that any power given by the Companies Act 1961 to the liquidators may be exercised either by both of them jointly or by either of them."
3. "That the aggregate fee payable to the liquidators be fixed at $4000."
4. "That sanction be given to the liquidators of the Company distributing, and that the liquidators be authorised, empowered and directed to distribute, among the contributories in specie shares held by the Company in Bougainville Copper Limited and Australian Mining & Smelting Limited on the basis of six fully paid ordinary shares of 50 cents each in the said Bougainville Copper Limited and five fully paid ordinary shares of 50 cents each in the said Australian Mining & Smelting Limited for five fully paid ordinary shares of 50 cents each in the Company held by each contributory and so on in proportion for any number of such ordinary shares held in the Company; provided that no fraction of any share in the said Bougainville Copper Limited shall be so distributed and all such fractions shall be aggregated and the shares aggregating such fractions shall be sold and the net proceeds distributed among the contributories who but for this proviso would have been entitled to have such fractions distributed to them in proportion to the fractional entitlements which they would otherwise have had."

By Order of the Board.
D. M. McMURTRIE,
Secretary.

Dated this 5th day of November, 1973.
95 Collins Street,
Melbourne 3001.
Australia.

PROXIES: A member may appoint not more than two other persons (who need not be members of the Company) as his proxy or proxies to attend and vote in his stead at the meeting. Where a member appoints two proxies, the appointment shall be of no effect unless each proxy is appointed to represent a specified proportion of the member's voting rights.

### UNILEVER LIMITED

*NOTICE IS HEREBY GIVEN* that the TRANSFER BOOKS of the Company, so far as they relate to the Unsecured Loan Stock and to the Preference and Preferred Ordinary Stock of the Company, will be CLOSED for one day only on the 23rd November, 1973, for the preparation of the warrants for

(a) the Unsecured Loan Stock interest payable 31st December, 1973 and
(b) the Preference and Preferred Ordinary Stock dividend payable 2nd January, 1974.

and that Transfers of such stocks lodged after the close of business on the 22nd November, 1973 will be registered ex interest/dividend.

By Order of the Board.
H. HOLMES, Secretary.

Port Sunlight,
Wirral,
Cheshire.
7th November 1973.

# CORPORATION LOANS

### BARLOW RAND LIMITED

(Incorporated in the Republic of South Africa)

**NOTICE OF MEETING OF HOLDERS OF THE 7% *UNSECURED* CONVERTIBLE NOTES 1975/84**

NOTICE IS HEREBY GIVEN that a meeting of the holders of the abovementioned notes will be held at 12 noon on Monday 3rd December 1973 in the Conference Room, 9th Floor, Barwing House, 29 de Beer Street, Braamfontein, Johannesburg, for the purpose of considering and, if deemed fit, passing, with or without modification, the following resolution which will be proposed as an ordinary resolution of the holders of those notes:—

"*RESOLVED* that this meeting of the holders of the 7% Unsecured Convertible Notes 1975/84 created by BARLOW RAND LIMITED in terms of a Deed dated 22nd October, 1969, signed by it and METROPOLITAN BOARD OF EXECUTORS LIMITED gives its consent to the convening of an extraordinary general meeting of BARLOW RAND LIMITED to consider and, if deemed fit, to pass, with or without modification, a special resolution for the reduction of its share premium account by R18.676.442."

For the purpose of determining those noteholders entitled to attend and vote at the meeting, the transfer books and registers of the holders of the 7% Unsecured Convertible Notes 1975/84 in South Africa and the United Kingdom will be CLOSED from 26th November to 3rd December 1973, both days inclusive.

By Order of the Board.
R. A. LAMBERT, Group Secretary.

Registered Office:
33 de Beer Street,
Braamfontein, 2001, South Africa.
(Postal: P.O. Box 4862,
Johannesburg, 2000,
South Africa).
9th November, 1973.

### BRITISH BORNEO PETROLEUM SYNDICATE LIMITED

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the above Company will be closed from 17th to 23rd November, 1973, both days inclusive.

By Order of the Board.
Limebeer & Co.,
Secretaries.

Registered Office
2, Broad Street Place,
London, EC2M 7EP.
8th November, 1973

### CANADIAN & FOREIGN SECURITIES CO. LTD.

Directors Canadian and Foreign Securities to-day declared dividend fifty cents and extra dividend twenty-five cents on Ordinary stock payable December 28 shareholders record November 14 writing.

### *JOHN CROWTHER GROUP LIMITED*

NOTICE IS HEREBY GIVEN that the Register of the 5% Cumulative Preference Shares will be closed for one day only on the 3rd December 1973.

By Order of the Board.
B. G. Green.

Union Mills,
Milnsbridge,
Huddersfield, HD3 4NA.
8th November, 1973.

### *SOUTH AFRICAN TOWNSHIPS MINING AND FINANCE CORPORATION LIMITED*

(Incorporated in the Republic of South Africa)

**DECLARATION OF FINAL DIVIDEND NO. 72 ON THE ORDINARY SHARES**

NOTICE IS HEREBY GIVEN that dividend No. 72 of 22 cents per share (South African currency) (1972: 25.5 cents) being a final dividend in respect of the year ended 30th September, 1973, has been declared payable to shareholders registered in the books of the corporation at the close of business on 23rd November, 1973, and to persons presenting coupon No. 74 detached from share warrants to bearer. A notice regarding payment of dividends on coupon No. 74 detached from share warrants to bearer will be published in the press by the London Secretaries of the corporation on or about 16th November, 1973.

The transfer registers and registers of members will be CLOSED from 24th November to 7th December, 1973, both days inclusive, and warrants will be posted from the Johannesburg and the United Kingdom Offices of the transfer secretaries on or about 20th December, 1973. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 11th December, 1973, of the rand value of their dividends (less appropriate taxes). Any such shareholders may however elect to be paid in South African currency, provided that the request is received at the offices of the corporation's transfer secretaries in Johannesburg or in the United Kingdom on or before 23rd November, 1973.

The effective rate of non-resident shareholders' tax is 15 per cent.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the corporation and also at the offices of the corporation's transfer secretaries in Johannesburg and the United Kingdom.

Subject to final audit, the net profit of the corporation for the year ended 30th September, 1973, is R3 017 000 (1972: R2 456 000) after providing R293 000 (1972: R336 000) for taxation. An amount of R1 145 000 has been transferred to general reserve which now stands at R10 208 000 (1972: R8 953 000).

The Group net profit for the year, subject to final audit is R3 192 000 (1972: R2 507 000) after providing R326 000 (1972: R369 000) for taxation inclusive of deferred taxation in respect of township debtors. An amount of R1 145 000 has been transferred to general reserve which now stands at R10 208 000 (1972: R8 953 000).

By Order of the Board.
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
London Secretaries.
E. BURROWS.

Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
Kent House, Station Road,
Ashford, Kent, TN23 1QB.
London Office:
40, Holborn Viaduct,
EC1P 1AJ.
8th November, 1973.

### VEREENIGING REFACTORIES LIMITED

(Incorporated in the Republic of South Africa)

**PREFERENCE DIVIDEND NO. 55**

NOTICE IS HEREBY GIVEN that a preference dividend No. 55 of 2¾ per cent has been declared on the 5½ per cent cumulative preference shares of the company for the half-year ending 31st December 1973, payable to shareholders registered in the books of the company at the close of business on 23rd November 1973.

The dividend is declared in the currency of the Republic of South Africa.

Dividend warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about 3rd January 1974.

In the case of preference shareholders with registered addresses in Europe, or who have mandated payments to addresses in Europe, or shareholders who have requested payment in sterling, warrants will be posted from the United Kingdom and will be drawn in United Kingdom currency. Registered preference shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 24th December 1973, of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency provided that any such request is received at the offices of the company's transfer secretaries in Johannesburg or in the United Kingdom on or before 23rd November 1973.

Shareholders whose registered addresses are elsewhere than in Europe, or who have mandated payments to addresses outside Europe, or who have elected to be paid in South African currency in terms of the preceding paragraph, will be paid from Johannesburg, and all dividend warrants posted from Johannesburg will be drawn in South African rand.

Any change of address or dividend instruction involving a change of office of payment to apply to this dividend must be *received by the company's transfer secretaries* on or before 23rd November 1973.

Preference shareholders must, where necessary, have obtained the approval of the South African Exchange Control authorities and, if applicable, the approval of any other Exchange Control authorities having jurisdiction in respect of such changes.

In respect of dividends payable from the United Kingdom office on account of preference shareholders whose registered addresses are in the United Kingdom, and on account of other preference shareholders who have mandated payment of their dividends to addresses in the United Kingdom, the United Kingdom office will deduct United Kingdom income tax at the basic rate as reduced, where appropriate, by an allowance in respect of South African tax by way of relief from double taxation, except where authority has been received from the Inspector of Foreign Dividends to pay without such deduction. In all other cases no United Kingdom income tax will be deducted.

The preference transfer registers and registers of members will be closed from 24th November 1973 to 7th December 1973, both days inclusive.

In terms of the Republic of South Africa Income Tax Act, 1962, as amended, non-resident shareholders' tax will be deducted by the company from dividends payable to those preference shareholders whose addresses in the share registers are outside the Republic. The effective rate of non-resident shareholders' tax is 15 per cent.

By Order of the Board.
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
London Secretaries
E. Burrows.

London Office:
40, Holborn Viaduct, EC1P 1AJ.
Office of the United Kingdom
Transfer Secretaries:-
Kent House,
Station Road,
Ashford
Kent, TN23 1QB.
8th November, 1973

### W. J. PYKE (HOLDINGS) LIMITED

NOTICE IS HEREBY given that the transfer books of the Ordinary Shares in the Company will be closed from 24th November 1973 to 7th December 1973 for preparation of dividend warrants.

E. G. Pyke,
Secretary.

# INTERIM STATEMENTS

## Interim Statement

The directors of Capper-Neill Limited announce an increased interim dividend for the year to 31st March 1974. This increase enables a dividend of 1.12p per share to be paid to shareholders, which together with the related tax credit gives a gross income of 1.6p. This compares with the gross dividend of 1.2p per share paid this time last year and a total for the financial year 1972/73 equivalent to 2.4p gross. The unaudited results for the first half of the financial year ending 31st March 1974 are as follows:—

| | Six months ended 30th Sept. 1973 £ | Six months ended 30th Sept. 1972 £ | Year ended 31st March 1973 £ |
|---|---|---|---|
| Turnover | 7,359,000 | 7,762,000 | 15,570,000 |
| Group trading profit (loss) before taxation | 302,000 | (147,000) | 325,000 |
| Add (deduct) | | | |
| Grants for capital expenditure | 12,000 | 11,000 | 23,000 |
| Group Profit (loss) before taxation | 314,000 | (136,000) | 348,000 |
| Taxation payable (recoverable) | 148,000 | 50,000 | 141,000 |
| Group Profit (loss) after taxation | 166,000 | (86,000) | 207,000 |
| Amount absorbed by dividends | 113,707 | 121,829 | 207,109 |

No deduction has been made against the half year's profits for the direct costs incurred in fighting the Whessoe take-over bid.

Profits for the first half of the year are in line with the results anticipated by the chairman in his annual review published with the 1972/73 accounts.

*The level of turnover recorded for the first half reflects* the poor order situation which prevailed in the petroleum, chemical and other process industries until early 1973. The subsequent upturn in investment in these industries has resulted in Capper-Neill obtaining a record orderbook. The imminent steel price increases were expected and should not affect Group trading significantly.

Our major steel fabricating subsidiary, Wm Neill & Son (St Helens) Limited, is continuing to benefit from the management changes introduced last year. Contracts now being obtained are at somewhat better margins and considerable future work is expected from the North Sea oil explorations. Our recently formed overseas contracting subsidiary, Capper-Neill *International Limited, is now firmly established with* major contracts in Greece and Canada to its credit. Profits from these contracts will begin to accrue during the next 18 months.

The widely publicised steel shortage is, however, affecting our short-term work and causing gaps which cannot be filled, in the otherwise healthy production programme. In addition, contract starts are being delayed and a general scarcity of skilled labour is becoming increasingly apparent, especially for site construction work. Consequently, our earlier hopes for the second half of the year will be affected by these factors, and profits, although not reaching the level first anticipated, are expected to exceed those recorded for the first half.

In the absence of unforeseen circumstances, a total dividend of not less than 32 per cent (3.2p per share) including the related tax credit, for which rate the Treasury has indicated its consent, should be expected for the full year. Future prospects are good and the Group is well placed to enjoy a prosperous long-term future.

Warrants for the interim dividend will be posted on the 7th January 1974 to shareholders registered at the close of business on the 7th December 1973.

Warrington
8th November 1973

Capper Neill

## Head Wrightson half year report

| | Half-year to 31 July 1973 | Half-year to 31 July 1972 | Year to 31 Jan 1973 |
|---|---|---|---|
| | £000 | £000 | £000 |
| Turnover | 18,731 | 15,467 | 33,056 |
| Trading Profit | 540 | 310 | 1,456 |
| Bank and Debenture Interest | (111) | (44) | (112) |
| | 429 | 266 | 1,344 |
| Investment Income | 2 | 5 | 6 |
| Profit before Tax | 431 | 271 | 1,350 |
| Tax (estimated) | 122 | (97) | (352) |
| Profit after Tax | 309 | 174 | 998 |

*The Group results are based on unaudited figures.*

Attention has been drawn in earlier statements to the possibly misleading nature of interim figures resulting from the completion dates of long term contracts.

The growth in the economy which has been apparent for some time was not fully reflected in the activity of the half year. However order books are improving and it is expected that the profit for the year will be better than that for last year. The results for next year should show a further improvement.

The Directors today authorised the payment of an interim dividend of 0.7p per ordinary share (absorbing £94,000) and making with the tax credit a total of 1.0p (1973 1.0p gross absorbing £134,000) payable on 8th February 1974 to members on the register on 11th January 1974. The dividend has again been deferred by about six weeks to take advantage of the transitional provisions of the Finance Act 1972. The Directors expect to recommend a final dividend of not less than 1.505p per share (absorbing £201,000) (1973 1.505p—£201,000) making for the year dividends totalling with the tax credit not less than 3.15p (1973 equivalent 3.15p).

8 November 1973

Head Wrightson & Co. Ltd., The Friarage, Yarm, Yorkshire.

HEAD WRIGHTSON

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# The Executive's World

EDITED BY JOHN TRAFFORD

Since Grand Metropolitan entered the brewing trade 18 months ago, it has been doing some radical re-thinking. **Kenneth Gooding** reports on

## The divorce of brewing from pubs

IERE is no doubt that Mr. ıxwell Joseph's Grand Metro- litan group is suffering from really bad, short-term hang- er following its £450m. lurge into the liquor business. it Mr. Joseph is already living to the expectations that he uld have some revolutionary eas about how his brewing erations should be run.

It was the expectation of a w of new ideas from Grand t. and the competition it ght bring to the brewing lustry which prompted the vernment to give the go-ahead the £400m. offer for Watney thout the hindrance of a nopolies Commission inquiry. en though it was the biggest l ever made in Britain and e tide of public opinion was eady turning against the nster mergers.

Grand Met. now has had 18 nths to take a close look at two brewing companies, atney Mann and Truman, and s decided that the group's ewing operations should be mpletely separated from the nning of its pubs.

To understand why this is such startling innovation for the lustry you have to remember it for more than a century the itish brewers have been build- g up their ownership of retail tlets to make sure the produc- n side of their business was me economic. Beer is only eap if produced in volume and t it has a comparatively short e. A brewer with "tied" pubs ew he had captive outlets to pport his volume production. But in recent years, according Stanley Grinstead, the Grand t. joint managing director sponsible for the brewing divi- n, there has been a tendency the production part of the lustry "to hide its deficiencies hind the tied estate." rtainly brewers tend to rely avily on the assumption that ey have a captive retail siness when making production ans or introducing new pro- cts.

So far only one major group s tried to solve this problem splitting the two operations art. Scottish and Newcastle s been doing this for some ars because it relies less than ıst brewers on its own pubs r its beer trade, a high pro- rtion of which goes to "free" r non-brewer-owned) outlets.

The problem is much more vere for Watney and Truman ich between them have more an 7,000 pubs compared with and N's 1,800 and who sell less an one third of their beer out- put to the "free" trade against S and N's two-thirds.

Grand Met. called in management consultants from Peat Marwick to help formulate a long-term strategy for the brewing division and it was decided, in spite of the difficulties, to isolate beer production and wholesaling from retailing. The activities are co-ordinated by a newly-formed holding company headed by Michael Webster, former Watney chairman.

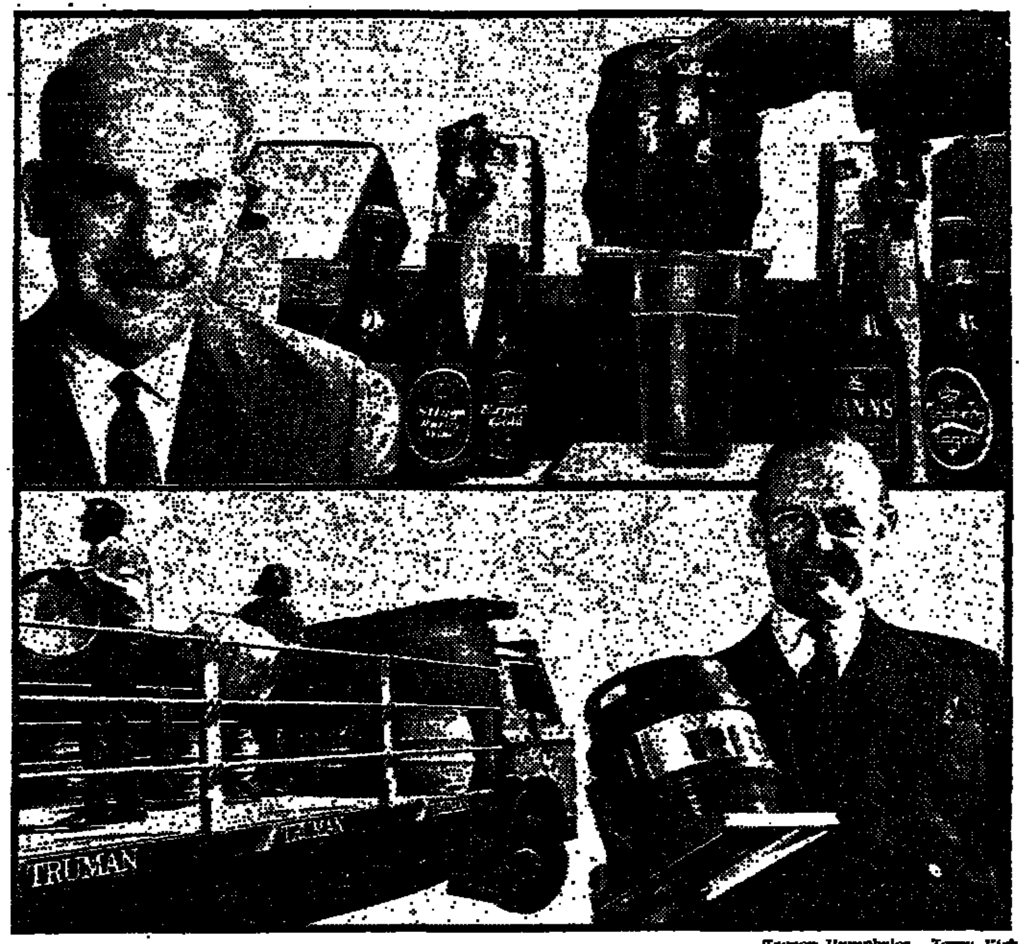
Says Grinstead: "The production side will now have to shape up to the demands of the market place. We judge this will improve its performance and have it produce more acceptable and more competitive products. We are divorcing decision-making on the production side from decision-making in retailing — they are different skills."

This does not mean, of course, that Grand Met. is to take its argument to its logical conclusion and completely "untie" its pubs leaving the retail division to shop anywhere for its beer. Watney and Truman beers will continue to feature prominently in houses with Watney and Truman signs outside. But Grand Met. will know exactly what is the financial performance of its beer production and wholesaling business. Grinstead believes that not many other brewing groups have this kind of information readily-available.

And it is in a particularly good position to judge the Watney-Truman profitability against their rivals because Grand Met. catering subsidiaries frequently trade through pubs owned by other brewing groups, having been granted the leases in the days when Grand Met. was primarily a hotel and entertainments business.

Working from this basis, it is possible to see that there could come a time—improbable as it may seem to-day—when Grand Met. might find it more economic to drop its own brewing activities and become a retailing-only group, selling the products of other brewers through its outlets. For the moment, however, Grinstead is convinced of "the underlying profitability of the production side."

It is the retailing business which has seen Grand Met. make its most interesting managerial appointment. The man put in charge of all the Watney and Truman pubs is Eric Williamson who is about as far from the old-style, beer-orientated brewer as it is possible to get. Williamson, 50, is a marketing and merchandising man who a few years ago was deputy managing director of the Pretty Polly stockings and tights subsidiary of Thomas Tilling. After a brief spell as a consultant he joined Berni Inns in 1969 as chief executive.



Trevor Humphries Terry Kirk

(Top) Eric Williamson in charge of the pubs now isolated from beer production. Michael Webster (below), chairman of the new Watney Mann and Truman Holdings.

Berni was taken over by Grand Met. in 1970 and before his most recent promotion Williamson was in charge of 340 outlets carrying the Berni or Chef and Brewer or Schooner Inn signs and with a turnover of £50m.

Williamson is therefore not a man who believes that the main objective of a pub is to sell beer. If the margin of profit on food is better than that on drink then encourage the customers to eat rather than drink, is his attitude.

Grinstead describes what he expects to happen on the retailing side as the "dance of the seven veils for the tied estate." By this he means that Grand Met. will be finding out clearly for the first time just what it has in the way of the quality of pubs, just what profits they are making, whether the profits are adequate and what the potential may be.

All these changes are in line with the Grand Met. management method where responsibility is delegated all the way down the line.

Grinstead maintains that the new structure will allow the middle management to blossom and show its real potential.

Meanwhile Grand Met.'s short-term problems are reflected in the share price which has come down from 195p at one stage this year to around 100p. Much of this fall has to do with the beer division and Grinstead admits: "The timing of our purchase of Watney could not have been worse." Both Watney and Truman are at the peak of their capital investment programmes and have been badly hit by the Government's counter-inflation programme. "All the brewing industry now needs a price increase. We have had nothing for a year and costs have gone up tremendously," points out Grinstead.

Apart from the problems of not being able to make selective price increases in the beer division, Grand Met. is also badly hit by current high interest rates. The group currently has loans of about £321.5m. and an overdraft in the region of £100m. compared with shareholders' funds of £411m.—highly geared indeed.

Grinstead admits all this brings "some temporary difficulties." But, he maintains, "it does not detract from the medium to long-term enthusiasm I have about Watney and Truman which, apart from anything else, brought us some very useful property assets."

## Don't hire the man, sell the job

BY GEOFF WOOD

A SHORTAGE of skilled workers is said to be limiting industrial output and hampering the service trades. But is there really a labour shortage? Or is this idea just another excuse by managers who are living in yesterday's world?

From the point of view of the individual company, the labour shortage is a myth. The trouble is that too many managers are still hiring labour instead of selling jobs. People are recruited on the same principles that companies use to buy their raw materials, equipment and other purchases. Personnel officers scour the labour market for the best buys in manpower. They attempt to train the untrainable because the best fishes slip through the net in the process of recruitment.

But some companies have found success by treating the labour shortage as a marketing opportunity rather than a purchasing problem. They have adopted the well tried and tested techniques deployed in the marketing end of business. For example, in many parts of the country, newspaper advertisements for skilled craftsmen (and even for higher posts) meet with a poor response. Instead of bemoaning the acute shortage of labour, some managers have racked their brains for better methods of presenting their wares—that is the jobs they are selling.

One small firm in desperate need of skilled men abandoned conventional methods of promotion that were ignored by people not seeking to change their jobs. Instead they put posters in hairdressers, newsagents, betting shops, pubs, post offices, supermarkets and other places where these men and their wives were known to go. They pushed handbills through the letterboxes of local council estates; they publicised the vacancies in areas where the pockets of unemployment still exist. The result was that many suitable people came forward where none had applied before.

Having attracted the right kind of people, the company treated them like customers for jobs rather than hands to be hired. The potential recruits were shown round the factory (how many companies ever let applicants go beyond the door of the personnel office?) They were encouraged to talk to existing employees. They were given full and frank information about company policies, pay and prospects, and non-financial factors. Many managers still think that money is the main motivator; they have never heard of Elton Mayo let alone Frederick Herzberg.

*The author is Director of the Sheffield Centre for Innovation and Productivity.*

## Symptoms of sickness in small businesses

BY A U.S. CORRESPONDENT

HOW TO tell when a small new business is in trouble—that's a problem many American entrepreneurs have, frequently without even realising that it is a problem.

Busy with the minutiae of daily operation, the owner of the firm may not be able to see the larger storm gathering around him. A check list of symptoms indicating it is time for the company doctor was supplied by Robert D. Bullock, a San Francisco consultant. Bullock says these are the signs to watch:

Lack of any plan for the future, the company merely reacting to events as they occur. For instance, there might not be an alternative supplier in sight in case the primary one is closed by strike or storm. The alternative would not be sought until the event happened.

A chronic shortage of working capital. Payments to suppliers or even payrolls are delayed until cheques arrive from customers.

Low employee morale, with frequent absenteeism, high turnover and casual working habits.

Low profits or none at all, because sales are weak and not growing or costs are higher than expected.

Chronic late shipments, whether due to lack of raw materials, to poor work scheduling or to low productivity.

Low inventory turnover, whether due to poor scheduling or lagging sales.

Lack of adequate and timely management information or other signs of poor intra-company communications.

Loss of orders from major customers without any determined effort to find and correct the cause.

Executives who work overtime and never catch up with the load or foremen who are constantly bedevilled by problems, leaving them no time to plan better work arrangements.

Pricing by guesswork instead of on firmly based cost accounting principle. Any case where the profits on a sale cannot be calculated exactly.

Excessive scrap left after production, as compared to other plants with similar operations.

Too much reworking of products after final inspection, because of poor work along the assembly line.

Desks piled high with paperwork, showing either inefficiency or insufficient office staff.

CORPORATE FINANCE

## Avoiding the pitfalls of p/e ratios

BY JOEL STERN

PRICE/EARNINGS ratios are so widely used to compare the performance of different companies that few people stop to think whether the comparisons are valid.

The usual p/e for ordinary shares, which I shall call p/eOS is not the best measure. For one thing, it is a bad indicator of the value of new investment and is dependent on the company's current debt/equity ratio. For another, it is open to abuse by investment analysts who try to work out a "fair" p/eOS rather than to examine the determinants of a fair market price and relate this price to earnings.

An alternative p/e—the p/e of the firm (p/eF)—avoids these shortcomings. It is the combined market value of a company's equity and debt (V), divided by net operating profit after taxes. (NOPAT is profit before financing costs but after taxes.)

The p/eOS is the ordinary share price divided by earnings per share. It is also the total market capitalisation of the company's ordinary shares divided by the conventional net profit figure, net profit after taxes (NPAT). The difference between NOPAT and NPAT is the after-tax financing cost of interest-bearing debt. It is this difference which causes problems when one uses p/eOS to compare the performance of companies.

NPAT's shortcomings are two-fold. First, it gives a very hazy idea of management's true ability to handle the funds entrusted to it. The rate of return on shareholders' equity is a poor measure of managerial ability because it is so easily manipulated. The management can alter gearing and so alter the return on the equity

If a company is heavily geared, for example, substandard projects earning low rates of return may appear very profitable when measured by their return on shareholders' equity.

To measure managerial performance, the p/e should be based on NOPAT, not NPAT. You need to calculate the after-tax return on total capital (all interest-bearing debt plus equity), that is NOPAT divided by total capital.

NPAT's other shortcoming concerns the way it is affected by temporary fluctuations in the debt/equity ratio. Of course, NPAT and NOPAT may both go up or down with the general profitability of the company. But NPAT may also change as a result of changed gearing or a fluctuation in interest rates. An increase in gearing or interest rates decreases NPAT, and vice versa.

A change in gearing may not mean any change of financial policy and may not affect share price. Money market conditions, for example, could delay a planned issue of debt or equity. A firm's share price is affected by management's financing policy. The tax saving, which arises from deducting interest expense before calculating a company's taxable income adds value to the Ordinary shares. However, this added value is based on the market's estimate of management's target debt/equity ratio not the current ratio. Temporary changes in the ratio have virtually no effect on share price. Yet, NPAT and the p/eOS are affected by these temporary and, in many cases, expected fluctuations.

If a company's cost of borrowed funds is affected by the general level of interest rates, an increase in interest rates will reduce NPAT, and a decline in interest rates will increase NPAT. Since few can accurately forecast interest rates, it is undesirable to employ NPAT as a profit measure.

The p/eF (V/NOPAT) overcomes these shortcomings. Since NOPAT is the profit before financing costs, it is not affected by the degree of gearing or fluctuations in interest rates and because the p/eF cannot be calculated on a per share basis, it is unlikely that people will calculate this p/e before they have calculated a fair market value for the debt and equity. Cause and effect are less likely to be confused. When comparing companies, p/eF is far better than p/eOS.

However, a company's p/e is not in itself important. It is the market value of a company's debt and equity (and its determinants) that should command the attention of security analysts, money managers and corporate planners.

*The author is a vice-president of the Chase Manhattan Bank*

## Conferences

● Improving your recruitment advertising and communications is the subject of a two-day conference to be held in London on November 13 and 14. The cost is £37.40 (non-members) and further details are available from Institute of Personnel *Management, 5 Winsley Street,* London W1N 7AQ.

● A three-day conference is to be held in Brussels on November 28 to 30 to discuss Management by Objectives. The cost will be BFrs.14,500 (non-members) and further details can be obtained from Management Centre Europe, Avenue des Arts 4, B-1040 Brussels.

● Managing change towards business effectiveness and work enrichment is the subject of a workshop series to be held in London. The first of the series will take place on November 27 and 28. The cost will be £353 (non-members) for six days. Further details can be obtained from the Industrial Society, Robert Hyde House, 48 Bryan*ston Square, London W1H 8AH.*

● A two-day conference on the North and Celtic Seas is to be held in London on December 4 and 5. Financing the activities of suppliers will be a further major theme of the conference which will also seek to place North and Celtic Sea developments in their wider context. The cost will be £77 and further details are available from the Financial Times, 388 Strand, London WC2R 0LT.

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FRIDAY NOVEMBER 9 1973

# The human face

THE face of capitalism is clearly and rightly a matter of great concern to the Prime Minister. Having delivered his famous rebuke during the Lonrho case some months ago, he provided the Institute of Director's yesterday with some suggestions on how to make the face of capitalism human, pleasant and acceptable. His main point was that industry needed to explain itself better and that companies would only gain the confidence of their employees by justifying their actions to workpeople and their representatives. Mr. Heath's definition of worker participation was that "those who work in industry should be able to accept management decisions, because they have been consulted about them, can understand the reasons for them, and can feel that they have genuinely shared in the process of making them."

### *Merger decisions*

Expressed in these general terms, Mr. Heath's remarks could be taken as little more than a restatement of sound management principles. The difficulty is to specify those decisions on which prior consultation with workpeople is necessary and to decide how much weight should be given to their views as opposed, say, to those of shareholders. Take the question of mergers. Rarely if ever are workpeople taken fully into management's confidence before merger or take-over decisions are announced: many managers might argue that consultation is impracticable in this field. Yet merger decisions can have consequences of profound importance, for good or ill, on the livelihood of workers. It is here that the interests of employees and shareholders may conflict.

Much of the current anxiety about mergers is, of course, due to other factors. One problem concerns the methods used to acquire control of companies, as displayed in the cases concerning Grendon Trust and Shipping Industrial Holdings. Whether this problem should be tackled by more effective self-regulation than the present Take-Over Code or by some form of external regulation is still being debated. Another problem concerns the industrial and social effects of mergers. It is right that the Government should have the power to investigate and, if necessary, to veto. In the Boots/House of Fraser case, for instance, the participants may argue that the application of Boots' retailing skills to the department store business will stimulate competition and benefit the public interest. But it would not be surprising, in view of the large size of the transaction, if the Government felt that a full investigation by the Monopolies Commission was *desirable*.

None of this, however, helps to answer the question raised not only by Mr. Heath's remarks yesterday but by much recent comment about directors' responsibilities. In nine management decisions out of 10 the interests of employees may be identical with those of shareholders. But it is the tenth decision that creates the problem. However much Mr. Heath and others may insist that the interests of employees should rank as high as those of shareholders, the fact remains that, *within the present framework* of company law, the ultimate sovereignty lies with shareholders. This is clear enough in all take-over situations: it also applies to Lonrho-type Board-room battles, where the shareholders have the final say.

### *New definition*

Since the links that bind a shareholder to a company are generally more tenuous than those affecting employees (it is easier to sell shares than to find another job), one may question whether the framework is entirely appropriate to the present climate of opinion. But there remains the difficulty of defining precisely what employee participation should mean and how the broader national interest should be taken into account. If this is to involve a fundamental shift in the way directors are meant to interpret their respective *responsibilities to shareholders*, employees and also to consumers, this will require the creation of a new legislative framework.

# Miners make their challenge

THE SCENE has now been set for the first major test of the Government's determination to uphold *Stage Three of its pay* and prices policy. By rejecting the Coal Board's revised pay offer and calling for a national overtime ban from next week, the leaders of the Mineworkers' Union have made it plain that they are out to challenge the Government.

### *Generous*

The union leaders have explicitly accepted that the Coal Board's latest offer represented the furthest that it could go while still remaining within the limits set by Stage Three. The 7 per cent. basic increase was re-calculated so as to provide £2.30 a week for surface workers and £2.57 more for underground men. Improved holiday pay, which the Board offered under the provision for a one per cent. "flexibility margin," and additional "unsocial" shift payments of up to £6.80 a week for some miners would have brought the average increase in the Board's wage bill to about 13 per cent. *The Board* had also offered to negotiate both a threshold agreement, and a national productivity deal which could give the miners a further 3½ per cent. on basic rates once the benefits had been proved for a period of three months.

By any measure this was a generous offer. Indeed, it is the best the miners have ever had, save only for the Wilberforce settlement nineteen months ago. There might conceivably be room to negotiate better terms for the 12,000 or so surface workers, who according to the union would stand to receive only the basic £2.30 a week increase, by *looking* again at the distribution of the one per cent. flexibility margin. But the union is also asking for a bigger basic increase all round. By doing so it is in effect saying that the country's 260,000 miners should be treated as a special case and this is something the Government clearly cannot concede if it is to prevent Stage Three degenerating into a leapfrogging competition between unions. Once one special case has been conceded, *there would be no end to the* business.

It is just as important for the Government to avoid giving the impression that militancy pays, as it did to its own and the country's deep embarrassment early last year on the occasion of the Wilberforce settlement. The Mineworkers' Union is hoping to exert greater pressure than last year by including safety and maintenance men in its overtime ban this time. Because safety and maintenance work will have to be done during normal shift hours rather than at week-ends, the ban is likely to have a more disruptive impact upon coal output than on the last occasion when only production workers were involved. Some union leaders claim that the industry could "*grind to a halt*" within a fortnight or so. Coal stocks are large enough to provide a cushion for power stations and other essential users for several weeks, yet the danger could be that some pits would flood and could not be re-opened.

### *Ground rules*

The over-riding point however is that the miners' challenge has come at a *time the country's* fuel supplies are already threatened by the Arab oil embargo and by the pay dispute in the electricity supply industry. The union may think that this strengthens its position, but the situation can cut both ways. As was only too apparent when the miners came out on strike after their overtime ban two winters ago, public opinion can sometimes have a powerful influence on the course and outcome of a major dispute and the public may not take kindly to being held up to ransom at a time when energy supplies are already in jeopardy and the miners have rejected a pay increase that is likely to be better than most groups can expect to get under the terms of Stage Three.

# The Arab oil cuts come home to America

**Guy de Jonquieres** in Washington analyses President Nixon's proposals to conserve energy

THIS week, President Nixon emerged from his beleaguered seclusion to address the American people on the problems which his advisors believe will result in the coming months from the Arab oil cutbacks. In his own words, the United States now faces "the most acute shortages since World War Two" and is *heading inexorably for a period of* brisk belt-tightening.

In most European countries, and especially Holland, which are already feeling the effects of steeply-rising oil prices and *export reductions, the United* States must have seemed to be rather comfortably off. Even though its oil imports have increased sharply this year, they still only account for one third *of total consumption and only* one third of that originates from the Arab world. It is indeed ironical that the country that is the prime target of the oil weapon should, at least in the *immediate future*, be best insulated against it.

None the less, it is probably fair to say that, barring any sudden change in Arab policies, the U.S. is heading into a period *of greater austerity and sacrifices* than most Americans yet realize. Because the tanker journey from the Gulf around the Cape to U.S. East and Gulf Coast ports takes about 30 days, *the full impact of the recent* Arab moves has not yet been felt and will not be felt until the second half of this month. Then, as the tankers begin to arrive empty or not at all, it is likely to hit with a bang.

Already, the portents are beginning to appear. All the major oil companies have raised their wholesale prices for petrol and home heating oil during the past ten days, some by as much as 10 per cent. Many have started rationing customers at service stations and those that are badly lacking in their own supplies of crude, like British Petroleum's sister company, Standard Oil of Ohio, are searching desperately for supplies for their refineries.

President Nixon (right, making his Wednesday television broadcast on the energy crisis) spoke of speed limits of 50 m.p.h.: greater use of public transport: and lowering heating thermostats.

## Domestic airlines

There is some evidence of *hoarding—though not of a* really frantic kind—in certain industries and by farmers in the Northern states who are still harvesting their maize and soya-bean crops. Domestic airlines, who have been looking for several years for some pretext to pare down their capacity on busy routes, have begun to thin out their scheduled flights, in some cases by more than the 10 per cent. which Mr. Nixon says will be required. Moreover, passengers these days find themselves boarding and disembarking from airliners in darkness.

There are, of course, no end of ways in which Americans—who consume more than twice the energy per capita of Europeans—can economise simply by cutting out sheer waste. For instance, in the New York area more than half the cars in circulation often carry only the driver during peak hours. And even Europeans who have lived in the U.S. for some years continue to be amazed by the American habit of heating poorly-insulated homes and offices to a constant day and night temperature of 75 degrees.

There can be little argument about most of the objectives which Mr. Nixon set out on Wednesday evening: lowering heating thermostats; restricting speed limits to 50 miles per hour; greater use of public transport and car pools; further reductions in airline services; and the ingenious reversion to daylight savings time all year round. There will almost certainly be more arguments from environmentalists against relaxing air standards and prohibiting power generation plants from switching from coal to oil, but the current shortages of non-polluting low-sulphur crude make such steps virtually inevitable.

*However, despite Mr. Nixon's* rather inept attempts to marshall something like a World War Two spirit (he described the Manhattan project that developed the atom bomb dropped on Japan as bringing peace to the world) the effectiveness of his exhortations on voluntary energy conservation may be questioned. In the first place, the proposals lacked any surprise, since most of them had already leaked out in advance. Secondly, the opinion polls now show that most people are not prepared to believe Richard Nixon on anything much these days. They are probably even less inclined to do so on questions of energy in view of his well-advertised habit of turning the White House air-conditioning full up and burning log fires in summer.

## Conservation measures

Even more to the point, the *White House seems to have got* its sums wrong. It estimates that conservation measures plus increased output from naval and *non-Government oil fields can* raise available oil supply by 2.35m. barrels per day. This is probably on the optimistic side, but even if it is met it will be barely adequate to fill the anticipated gap.

**U.S. ENERGY SOURCES AND USES, WINTER 1973-74**

| SOURCES | USES |
|---|---|
| Arab oil imports: 6% | Residential: 19% |
| Non-Arab oil imports: 11% | Commercial: 14% |
| U.S. oil production: 33% | Transportation: 20% |
| Gas: 30% | Industrial: 43% |
| Coal: 15% | |
| Hydro-electric: 4% | |
| Nuclear: 1% | Source: White House |

Mr. Nixon said that the anticipated reduction in imports will reach about 2m. barrels per day by the end of this month and that the projected supply/demand shortfall will be between two and 3m. barrels per day. The oil industry and the interior department both believe that the deficit will probably be at the upper end of this estimate, perhaps as early as the end of this year. If this is true, 650,000 barrels of oil per day will have to be found to *fill the gap, or some people are* going to have a very cold winter.

Furthermore, the Government's calculations are based on a total consumption figure of 17.5m. barrels per day. This however, is an average figure for the year as a whole. If the coming winter is abnormally *cold, demand for home heating* oil could push total demand above this level. Some oil company experts estimate that in *normal conditions a bitter* winter could push consumption up as high as 18.5m. barrels per day.

It therefore seems likely that the President will have to resort sooner rather than later to the "teeth" which he has asked Congress to equip him with, in the form of authority to tax "excessive" energy consumption, restrict illuminated outdoor advertising and limit operating hours at commercial establishments and schools.

There seems little doubt that he will get this authority. Several day ago the President's chief energy adviser, Governor John Love, began conferring with Senator Henry Jackson, the powerful chairman of the Senate Interior Committee. Together, they have hammered out legislation providing for most of the new powers which Mr. Nixon is seeking, and Senator Jackson has promised to throw his full weight behind winning speedy Senate approval for it.

## Petrol rationing

Despite the President's reluctance to adopt it, Senator Jackson has said publicly that he regards the imposition of petrol rationing as inevitable, probably no later than next spring if the Arab cutbacks continue. As Mr. Nixon pointed out last night, the Government has contingency plans both for rationing and for a special federal tax on petrol, and these could presumably be put into practice quite rapidly if needed.

However, with the holiday season over and rationing already imposed by service stations in several parts of the country, petrol is not currently *the product most in demand.* Indeed, according to Governor Love, consumption actually fell last September from its level of the year before. The real squeeze has been on jet fuel and residual fuel. In the latest week for which industry figures are available, in mid-October, demand for both of these was running more than 20 per cent. higher than a year before, accounting for the bulk of the 10 per cent. increase in total demand in the same period.

On the supply side, the short-term outlook is not very encouraging. By opening up the Elk Hills naval reserve in California, a maximum of 160,000 additional barrels of oil per day can be obtained, though it will take some weeks before this level can be achieved. The White House estimates that a further 350,000 barrels per day can be squeezed out of non-Government wells, though this may be hampered by acute shortages of oil drilling and piping equipment. The largest untapped domestic reserves remain, of course, on the Alaskan north slope. But although legislation on the trans-Alaska pipeline is moving towards final approval, it is unlikely that it could go on stream much before early 197[illegible].

Thus the immediate prospects in the U.S. are, as in many other parts of the world, for further price increases and considerable disruptions and incovenience. As the crunch approaches, the first effects will probably be felt in the traditionally oil-starved New England, the upper Atlantic coast and the Mid-West where home heating oil especially is in short supply. Among major cities, New York, which has relied heavily on low sulphur Arab crude for its power generation plants, looks particularly vulnerable.

It is still too early to assess with any accuracy the economic impact of the new austerity. Most economists now expect the economy to slow down considerably during the first quarter of next year, though to what extent this process will be accelerated by oil shortages and to what extent the slowdown will reduce pressure on energy resources is not clear.

## Mass transit systems

Structurally, the most obvious changes are likely to appear first in the transportation field, which accounts for a quarter of total energy consmption. Restrictions on airline schedules and private car travel could benefit the railways and the development of more mass transit systems, though the rejection by New York State voters this week of a $3,500m. transportation bond issue is hardly an encouraging portent. Railway freight services and inland waterways may also profit from restraints on *lorry movements.*

But in the short term, the most visible impact will almost certainly be on the style of life of the American people, who have been used to consuming between two and three times as much energy per capita as Europeans. One more frontier has been reached in the use of resources which, even ten years ago, appeared limitless. Perhaps no one has encapsulated this harsh and unglamorous fact better than Mr. Melvin Laird, the chief White House adviser on domestic policy. Asked how Americans should deal with energy shortages this winter, he snapped back: "buy a sweater.

# MEN AND MATTERS

## European champion

Over the years the boss of Champion International, Tom Willer, has gathered plenty of solid negotiating experience. There was the time when he took his chemicals company, Hooker into Occidental Petroleum, the concern run by the colourful Dr. Armand Hammer. Then there was the occasion when he sat across the table from Colonel Khedaffi—a nerve-wracking experience, since the Libyan leader had confiscated his passport before they started, and bargained throughout with a gun on his hip. But the talks he has had with A. W. (Securities), he says, have been the swiftest he has ever conducted.

That possibly has something to do with the price he has offered—at 128p, 40p up on yesterday's opening price. But Willer, 54, also feels he has established a quick accord with Michael Abrahams, the man who built A. W. into a technically-advanced carpet manufacturing company with a flair that has attracted the admiration of much of the industry. Certainly both men share an expansionist attitude (thwarted, in Abrahams case, in his recent bid for Lancaster Carpets) and an interest in *international* markets. And Abrahams, who has been told that he will head up Champion's international carpets division, evidently feels that Willer's views on decentralisation will allow him sufficient room for manoeuvre in the organisation.

Willer has strong views on decentralisation saying he left Occidental after only four years, partly because Hammer tended to hoard power.

At Champion, he inherited a product of the U.S. merger wave of the late 60s, a company based on a paper producer (Champion) and building materials concern (U.S. Plywood). Since then have come the diversifications into furniture and carpeting, and now he seems bent, the DTI willing, on the kind of international developments which he inaugurated at Hooker in the 60s. He remains an internationalist, in spite of his experience in the oil industry (Libya has taken 51 per cent. of Occidental); given Champion's current share price, now at an all-time low of $18.8 against a high in the upper $30s. *It is one strategy of escaping from the cyclical trends of the* paper/wood industry.

## Nixon switch

Two weeks ago the British Embassy in Washington's view was that President Nixon would pull through to complete his term of office. There were probably some dissenting views among the Embassy staff, but the majority, and certainly Lord Cromer, adjudged that Nixon would survive.

It now appears that London is receiving a different message. *The talk here now is that* there has been a crucial change in the advice the Foreign Office is getting from Washington and that Mr. Heath is now being told that the liklihood is that he will *before long be treating with a* new President.

## Spanish Which-hunt?

The Spanish consumer, more muted than his European counterparts and suffering a worse rate of inflation, has discovered a new champion. Although *there would never be room for* a Ralph Nader in modern Spain, the new magazine "Ciudadano" has in just two issues given Spanish manufacturers an unaccustomed and rather painful jolt. To show their appreciation the Spanish public snapped up the first issue inside a few days, and look like repeating the process with the second which has just come on sale.

The reasons are not hard to find. The latest issue reveals, for example, that one of the country's best-selling yoghurts is prone to contain bacteria more normally found in sewage. As if that was not enough, it goes on to strike at a basic part of Spanish life. A popular table wine, it claims, contains water, alcohol and a high degree of artificial colouring, but is unlikely to have come in close proximity to a grape.

It is all heady stuff for a country where last year two priests were fined for "inciting" housewives to complain about rising prices. Undoubtedly the magazine has also already stirred official interest and what remains to be seen is how many toes it can tread on before risking a similar fate itself.

## Plight of the anthropologists

Even with an appeal from Prince Charles to "reach deep into your wallets," the Royal *Anthropological Institute still* has a mighty battle on its hands to rejuvenate itself and to save its unique library from going overseas. The crisis has arisen because the Institute's lease on premises ran out when London office costs were soaring. Homeless, the only way out of this mess seems to be to sell the 102-year-old Institute's library (including most of Richard Burton's manuscripts and many of Darwin's writings).

If sold, almost certainly to the U.S., then the library would probably raise £1m. and secure some future for the Institute. But no one wants to see yet another British collection cross the Atlantic.

The good news is that some potential premises have been found. The bad is that the Institute needs guarantees of £300,000 (the eventual figure will be around £½m.) in no more than a month. Brian MacDermot, a council member and Panmure Gordon stockbroker says that this chance of a new building is the best the Institute is likely to get. Though only £35,000 has come in so far, MacDermot reckons that now a definite plan for library and Institute premises can be shown, the target is not impossible.

At a dinner on Wednesday, Prince Charles (who followed *his old anthropology tutor from* Cambridge, the Institute's president Professor Edmund Leach) spoke convincingly of the increased relevance of his old subject. MacDermot said the *library was valuable to any company establishing itself in new* lands. And Royalty also showed itself to be not above a little politicking, announcing that Lord Eccles, who was sitting *next door, "had given me cause for optimism"*—this being a reference to a Government subsidy through the library Board for the future maintenance of the library.

*But the Coverment will not* contribute anything to the cost of a building to house the library. So some generous individuals, foundations or companies will have to be found quickly if the 60,000 *Institute* volumes are to be kept in Britain.

## Dear Miss Proops

"The wife and I don't have relations any more," sighed the cannibal chief. "We've eaten them all."

***Observer***

POLITICS TO-DAY: THE OIL THREAT

BY DAVID WATT, POLITICAL EDITOR

# A pressure too strong to be ignored

"BLACKMAIL," EXCEPT in strict technical sense, has come a word denoting simply ssure that one disapproves Those whose emotional symhies are basically on the side Israel apply it to the use of Arab oil monopoly for itical purposes but not to ssian or American pressure the Arabs to accept a reasone settlement. Pro-Arabs, urally, turn these semantics ide down. The reality of the ation can be discerned more irly without verbal overlays his kind. It is that the Arabs e applied strong pressure to European Governments and European Governments have le a judgement that this ssure is too strong to be red. The joint EEC statet on the Middle-East war is very marginally more ile to Israel than the famous Resolution 242, but the ement must be seen in its ext as a political act and, ed in this light, constitutes al shift.

n understandable reluctance he part of Sir Alec Douglas e to acknowledge this has ived the British Governt of the chance to justify its n, either in Parliament or e public. You cannot defend thing which you claim has occurred. This is a pity be e the arguments which have ailed in the Cabinet are in more powerful than they been allowed to seem.

## he case

ere is no particular reason I should do the Govern s job for it, but, to arrive realistic judgment, it is ssary to put the case for has been done as strongly ssible. Let me begin, then, ying to expound the posias it must appear to the e Minister and to Lord ngton (who is Chairman e Cabinet committee dealith the oil crisis and, with Sir Alec, completes the triumvirate which is really running this show).

The starting point of their appreciation obviously is Britain's near two-thirds dependance on Arab oil and the inevitable gap of several years before this dependance can be reduced through the arrival of North Sea supplies and by other means. The next question is how serious the Arab threat to cut off supplies under certain circumstances really is. On this point ministers have to rely upon the judgment of Arab experts in the Middle Eastern departments of the Foreign Office and the oil companies. This appears to be that the producers have limited aims but within those aims they are in deadly earnest.

## Neutrality

The objective is to enforce a mildly pro-Arab neutrality on the European countries—a neutrality proved by refraining from giving aid and comfort to Israel during the war, and, in the cases of Britain and France, who are permanent members of the Security Council, by sticking pretty close to Resolution 242. Threats to punish those who transgress this code with certainly be carried out and threats to punish those who ship Arab oil to others already being punished will almost certainly be carried out as well.

The implications of this advice are strongly in favour of Britain's toeing the line; for if it is true, then (a) the price to be paid at the moment is not, in real terms, very high and need not in practice jeopardise the security of the state of Israel, to which Britain is still committed; and (b) the payment is not a question of Danegeld since, on Foreign Office assumptions, there is no likelihood of the Arabs tightening the screw unless (and an important proviso is inserted here) fierce fighting breaks out again with a result even more favourable to Israel.

Dr. Kissinger with President Sadat of Egypt: "the Americans knew perfectly well that our links with the Arab world were our chief stock in trade in this area."

At this point, the argument shifts to two other dimensions—the American alliance and the European Community. It has been clear from the outset that the policy that has been suggested so far carries serious dangers for both. Keeping our head below the parapet and all that that entailed—refusing to get out in front at the United Nations, being sticky about the use of the Cyprus base, expressing semi-private doubts about the necessity of the American nuclear alert and so forth—was bound to irritate the U.S. Administration.

But the British Government seems to have argued, first, that the Americans knew perfectly well that our links with the Arab world were our chief stock in trade in this area and that we could not be expected to jeopardise them without elaborate discussions and contingency plans (which were never in fact discussed); and second, that American irritation, in part a reflection of the weakness of President Nixon, would pass away fairly rapidly when the realities of European defence and its permanent importance to U.S. security re-asserted themselves.

## Consequences

The European problem has caused far more heartsearching within the Government. The policy implied by the experts' judgement of Arab intentions has been to try to whip the other members of the EEC into the same stance as ourselves, thereby ensuring that Arab animosity should not spill over from our partners to us. This we have now succeeded in doing, but too late to prevent the Dutch from getting out on their own. The official line on the Dutch is that they have behaved in a foolish, not to say Quixotic, fashion and that the logic of the situation is that we should let them stew in their own juice.

We the British, it is said have been pressing consistently for a European foreign policy, particularly towards the Middle East, but since no-one has followed our suggestions, each country must reap the consequences of having its own individual foreign policy. This clearly excuses us from earning Arab hostility by shipping Arab oil to the Dutch—and indeed the British Government does not possess the powers to force the oil companies to cut their own throats in this fashion. But what about Persian or Nigerian or Caribbean? Thanks to the Arab decision to reduce production by the amount normally shipped to Rotterdam, any oil furnished to the Dutch and other sources would have to be at our expense.

The argument for assisting the Dutch all the same, is admitted to be very strong. We cannot, for reasons of pure self-interest, allow the Dutch economy to seize up entirely and we cannot, for reasons of European solidarity, completely ignore the call of a partner within the EEC. Nevertheless, Ministers are acutely aware that any policy which causes us to ration supplies in Britain earlier than we might otherwise have done will be acutely unpopular. This unpopularity might at one time have been passed off onto "those bloody wogs" but if the British appear to be suffering in the cause of European solidarity it it will be another fearful blow to the popularity of the EEC in the country. The upshot of this calculation is that if we assist the Dutch it will be (a) when their situation is far more powerless than it yet appears to be and (b) any assistance will be offered in a manner which will draw the least possible attention of either the Arabs or the anti-marketeers.

So much for Ministreial calculations. One says "Ministerial" but it is worth repeating what that *means in practice*. It involves the Prime Minister, closely advised by Lord Rothschild whose great experience in the oil industry has revived his reputation with Mr. Heath in a remarkable fashion: Lord Carrington, the perennial troubleshooter, who chairs the Cabinet committee: Sir Alec and the Foreign Office: and, to a lesser extent, Mr. Peter Walker whose Department of Trade and Industry, though rather swept aside so far as policy is concerned, will have to execute any rationing or allocation system that may be decided upon. This, it should be noted, is a thoroughly hard-boiled collection of Ministers and officials in whom real politik is fairly deeply engrained, and none of whom, with the exception of Lord Rothschild, hold any particular brief for Israel.

What, it may be asked, about the rest of the Cabinet? What about Sir Keith Joseph, and Mr. William Whitelaw, both of whom have been marked down as sympathetic to the Israeli case? What about Mrs. Margaret Thatcher and Mr. Peter Thomas, both of whom have large Jewish elements in their constituencies? The answer is that the traditional discretion granted to the Foreign Secretary has virtually cut them out. There seems to have been a certain amount of general discussion in the Cabinet throughout the crisis but the key decisions—to apply an arms embargo, and to subscribe to the European statement—were apparently taken without previous reference to the Cabinet.

## Showdown

It will be seen from all this—both from the course of the argument and the names of the arguers—that the Government is probably in a more exposed position over oil than it has ever been during the course of its life. In the first place there are a dangerous number of "ifs" and "buts" and highly optimistic assumptions in the whole rationale. Even the Foreign Office admits that, if there is no settlement on the ground, Arab demands may well become more hysterical; but it is always possible that assurances about the limited nature of Arab objectives will be found false anyhow, particularly if negotiations over a settlement prove protracted. If this goes wrong, then there is likely to be a wave of reaction against "appeasement," and a policy whose logic is to go a very long way in order to safeguard oil supplies will be brought up against the British public's sense of morality.

What do we do then? The chances of a real showdown with the Arabs are severely limited by the difficulty of getting the consumer countries to agree on a concerted policy. One has only to ask oneself how long it would be after the angry withdrawal of British and American arms missions to Saudi Arabia before a French mission was on its way to see the nature of the problem. A failure of this kind involving (1) large dollops of anti-Government moral indignation: (2) a long wrangle demonstrating the disunity of the EEC and (3) petrol rationing at home, would be the last nail in the Government's coffin. It is perfectly true that the official Opposition is hopelessly split on this issue with the feelings of pro- and anti-marketeers, pro- and anti-Israelis to say nothing of conventional Left and Right producing some very odd cross-currents. But that will not save the Government, and Mr. Heath in particular, from taking the brunt of the attack.

If educated public opinion, particularly opinion in Parliament, did not feel uneasy about the morality of what we have done there would be less of a problem. But the fact is that feelings of discomfort extend beyond the pro-Israel lobby. Not only is our posture unheroic but it appears to involve going back on the spirit in which we sold arms to the Israelis and possibly even the spirit in which we allowed the idea of a national home for the Jews to be propagated.

It may also turn out to involve running counter to the spirit of faith in a European ideal which has been so persistently promoted by the Prime Minister himself. Most people—including, I may say, myself—will be inclined to suppress their misgivings, providing the policy works. If it does not work, and events over which the Government has and can have no control wreck it at a later stage, then all the force of public conscience is likely to turn against those who dared, even for the best motives of national interest, to defy it.

## Labour News

# Teachers claim over 5% increase

MICHAEL DIXON, EDUCATION CORRESPONDENT

Y increase of more than r cent.—costing at least a year—is being claimed e National Union of rs on behalf of about school staff in England ales.

proposed increase, coming rce on April 1, has to be d by the union's panel of Burnham negotiating tee before it can become hers' official claim. Since UT has an absolute on the panel, however, the necessary approval e no more than a y.

### salary

basic teacher's salary 0. compared with the £1,306—a rise of about ent.—is included in the The salary for the head of the largest type of however, would rise by per cent., from £6,107 to

nion says its proposals gned to give teachers s sufficiently large to m abreast of increasing s in other occupations.

ward Britton, the NUT secretary, said recently chers were growing under the Govern ncomes policy which, school staff are part of the public service, was biting on them with greater than average severity. At the same time, worsening working conditions in many schools were increasing the teachers' sense of frustration.

The last rise received by the State-maintained teaching force in England and Wales was a "£1 plus 4 per cent." increase last April. The previous year they had a 9 per cent. average increase.

There were rumblings from the education profession in Scotland yesterday about staff shortages in schools.

Mr. Alex Russell, president of the Educational Institute of Scotland, the main schoolteachers' union north of the Border, gave warning that teachers were not prepared to continue working amid staff shortages and poor facilities.

### Shortage

Dr. D. Docherty, Glasgow's education convenor, accused the Scottish education system of being unaware of a shortage of 600 teachers in Glasgow. The Department also seemed to be unaware, he said, that a number of primary and secondary schools had been reduced to giving part-time education.

Dr. Docherty added that he was "appalled" by the present salary scales for teachers in Scotland."

# Court approves trimming Co-op pay rises

R LABOUR EDITOR

inflationary aims of the nt's pay and price re taken into account Court judgment yeshich approved a Pay cision to trim 75p a increases for women workers employed by ve societies.

e, which also affects p workers, stems from County Court ruling s year. This said that rs should be allowed ases for a five-week ing last winter's freeze he time the rises fell were frozen by the t.

e Pay Board ordered Stage Two increases reduced by 7p to 10p ut the extra increases the County Court. The ployers' association gainst this to the High e Mr. Justice Griffiths delivered a reserved

ths said he disagreed County Court and beead that the Govern legislation protected er from paying extra ing the freeze.

that he had to have regard to the overall objectives of the legislation whose manifest purpose was to control, or at least moderate, the rate of inflation.

"If payments of an inflationary nature are made, and retrospective payments of the character with which we are concerned in this case undoubtedly fall into that category, the harm they do to the economy does not depend upon the motive for payment but upon the fact of payment." The motive of the employer did not therefore affect whether they were permissible.

After the judgment, the employers' association announced that it would not appeal, even though it regretted that it had lost the case.

### MERSEY DOCKERS CLAIM 20%

A 20 per cent. pay claim for the 7,000 dockers on Merseyside has been made by the Transport and General Workers' Union. They are seeking an increase on their basic wage of £28.80 a week and on the fallback pay of £27.80 a week.

More Labour News, Page 12

# U.K. welcomes prospect of ending 'cod war'

BY KEVIN RAFFERTY

GENERAL RELIEF was felt both in Whitehall and among representatives of the British fishing industry yesterday at the prospect of an end to the 15-month "cod war" between Britain and Iceland. Iceland's Cabinet accepted the terms of a peace package worked out last month between Mr. Edward Heath and Mr. Olafur Johannesson, the Prime Ministers of the two countries.

The way was cleared for peace when the two Socialists in the seven-man coalition Cabinet withdrew their opposition to the proposals after an all-night meeting of their party's central committee. Mr. Johannesson then tabled a motion before the 60-member Althing (Parliament) that the agreement should be accepted.

The Althing is expected to approve the peace terms by Monday, and then formal Notes will be exchanged by the two Governments setting out the fine print of the agreement, which will run for two years.

The British Trawlers' Federation described the Icelandic Cabinet's acceptance of the peace package as "very encouraging." However, a spokesman added that "we cannot relax yet" until the deal was completed. However, now that the Socialists have withdrawn their opposition there is not likely to be any objection to the deal The Icelandic coalition has 32 of the Althing seats, and some of the opposition parties have said they will back the peace settlement.

Under the terms of the package Britain has agreed to limit its catch in Icelandic waters to about 130,000 tonnes a year, compared with an annual average of about 185,000 tonnes annually in the 1960s. It is not clear whether a precise catch figure is mentioned in the agreement.

The International Court of Justice at The Hague last year ordered Britain to reduce its catch to 170,000 tonnes, while Iceland had originally asked for a limit of 117,000 tonnes.

In addition, only 140 British trawlers, all individually licensed by Iceland, will be allowed to fish within the disputed 50-mile waters. This compares with 195 British vessels fishing in the area two years ago. All freezer or factory trawlers and 30 of the larger "fresher" ships will be banned from the area.

The disputed Icelandic waters will be divided into six "box" area, and at any one time five of these will be open and one closed to the British fleet.

Iceland breaks deadlock, Page 6.

# BSC makes extensive changes in top management

BY HAROLD BOLTER, INDUSTRIAL EDITOR

EXTENSIVE CHANGES in the top management of the British Steel Corporation were announced yesterday in the wake of the appointment of Mr. Robert Scholey as the corporation's chief executive.

The shake-up has been planned by Dr. Monty Finniston, who succeeded the late Lord Melchett as chairman of the BSC earlier this year. Two of the men who were thought to be in the running for Mr. Scholey's job are given new appointments.

Mr. Herbert Morley (54), at present managing director of the BSC's general steels division, is being moved to a new senior post at the corporation's headquarters in London as managing director, planning and development.

In this post Mr. Morley will be concerned primarily with implementing the £3,000m. development strategy, spread over the next ten years, which was approved by the Government at the end of last year. He will report directly to Dr. Finniston.

The other man believed to have been in the running for the chief executive post, Mr. J. G. "Jake" Stewart, will succeed Mr. Morley as managing director of the BSC's general steels division.

Mr. Stewart (42) is the son of a former chairman of Stewarts and Lloyds, and has been managing director of BSC's tubes division since 1970.

He, too, has been given a key post. The general steels division is responsible for bulk steel-making within the Corporation, a manufacturing area which Dr. Finniston is determined to make profitable. It also encompasses the BSC's important Anchor development at Scunthorpe, its biggest single investment so far, which is just being commissioned.

Mr. David Joy (59), who has been director of the Scunthorpe and Lancashire group within the general steels division, with detailed responsibility for getting Anchor built, now moves over to the special steels division.

He succeeds Mr. Philip Bromiley (52), who is given Mr. Scholey's former job as managing director of BSC's strip mills division.

Mr. George Armitage (49), director of the Corby group of BSC's tubes division, moves up to managing director of the division in succession to Mr. Stewart.

Further consequential changes are expected to be announced by the BSC shortly, but the overall consideration of the Corporation's management structure which Dr. Finniston is carrying out is expected to take some time.

# Monopolies probe sought on Italian bid for SIH

BY MARGARET REID

THE GOVERNMENT is to be asked whether it will order a Monopolies Commission probe of the 525p a share bid for Shipping Industrial Holdings from the Vlasov-Capitalfin consortium, which earlier this week fixed up a share purchase giving it a controlling interest.

Dr. John Gilbert, a Labour front bench economics spokesman, is to ask Mr. Peter Walker, the Secretary for Trade and Industry in the Commons next Monday if he will now refer the bid for SIH to the commission.

Last Monday, Dr. Gilbert asked what powers Mr. Walker had to prevent U.K. companies from falling under foreign control and if he would use those powers in the case of SIH.

Sir Geoffrey Howe, Minister of Trade and Consumer Affairs, replied that the main powers derived from the merger provisions of the Fair Trading Act 1973.

He added, in the course of a written Parliamentary reply: "If a bid were made for Shipping Industrial Holdings, it would be considered for reference to the Monopolies and Mergers Commission like any other proposal satisfying the criteria in the Act."

The Vlasov group shipping concern is controlled by Russian-born Mr. Boris Vlasov, now an Italian citizen, while Capitalfin is owned by several Italian financial groups. Their joint bid values SIH at £83m.

The shares have since been declining to well below the 525p bid price, reflecting market uncertainties on the prospects for the offer. Yesterday they fell 7½p to 485p, having jumped 70p to 535p just after the offer was announced.

To-day representatives of SIH's Board, headed by Mr. Peter Parker, with their advisers, bankers Kleinwort Benson, are having discusions with Drayton Corporation, representing the bidders, in the first formal meeting since the offer was announced.

# Oxley Printing buys C. Tinling

OXLEY PRINTING emerged last night as the buyer of C. Tinling, the Liverpool printing company which Mr. Robert Maxwell, former Pergamon Press chairman, had hoped to take over following its formal liquidation.

The Department of Trade and Industry has lent half the £900,000 purchase price. The DTI loan will buy the assets involved, and the £450,000 being put up by Oxley and its bankers will be used as working capital.

Mr. Michael Lewis, Oxley's chairman and managing director, last night gave assurances that all the present 357 employees will be safeguarded against redundancy. About 100 were due to leave to-day

# COMPANY NEWS + COMMENT

## Wood Hall profit well over forecast

AGAINST A *forecast* in the order of £6m., group pre-tax profit of **Wood Hall Trust** expanded from £5.04m. to *£7.34m.* for the year to June 30, 1973, after £2.64m. (£2.11m.) for the first half.

Earnings increased from 10.7p to 14.8p per 25p unit for the year, and the dividend is 3.675p net per unit. This is equivalent to 5.25p gross—the maximum permitted—*compared with 5p adjusted for a* scrip issue.

Turnover expanded from £145.56m. to £185.15m. The major contributions to the 45 per cent. increase in profit were (in percentages): pastoral trading up 187; civil and general engineering and coal mining (Australia) up 45; building, contracting and estate development up 79, and *materials handling up 113.*

| | 1972-73 £000 | 1971-72 £000 |
|---|---|---|
| Turnover | 185,158 | 145,558 |
| Profit:— | | |
| Building, contracting, etc. | 2.076 | 1.139 |
| Engineering, etc. | 1.934 | 1,334 |
| Pastoral trading | 1.524 | 636 |
| Overseas trading | 1.163 | 1.239 |
| Materials handling | 693 | 325 |
| Food | 185 | 256 |
| Finance and property | *32 | †480 |
| Interest and expenses | 457 | 309 |
| *Profit before tax* | 7,336 | 5,040 |
| Taxation | 3,353 | 1.964 |
| Pre-acquisition profits | — | 113 |
| Minority interests | 327 | 276 |
| Attributable | 3,658 | 2.687 |
| Preference div. | 55 | 65 |
| Ordinary | 902 | 1,227 |
| Retained | 2,699 | 1.395 |

* Loss. † Profit.

Meeting, December 13.

### ● comment

Some sharp second half acceleration has put **Wood Hall** 22 per cent. ahead of forecast for a rise of 45 per cent. pre-tax over the year. The discount house turned into the red, some bad North African trading (now axed) clouded the overseas traders and the split pea and lentil importers also had a dull time. But most of the dominant *divisions* performed very well. Private housing more than made up for local authority housing losses and the Australian interests made the most of a boom year *for farm* produce and minerals. This year overseas trading should recover and any downturn in interest rates would quickly come to the *aid of the finance side. So with* Australia and materials handling facing an apparently cloudless sky the one black spot is housing which accounted for nearly 30 *per cent. of profits* last year. *But* that should not deter the shares too much. At 133p the net p/e is just 9½ and the profits mix roughly 55 per cent. non-U.K. 50p, the shares on a net p/e of around 10 look reasonable value.

Abridged details, Page 9

## HIGHLIGHTS

Third-quarter net income of the **Royal Dutch/Shell** group *is well up on the depressed level of a year ago with margins* back to those of 1968. **Boots** half-year figures follow close on the bid for House of Fraser with profits well up to expectations: and **Beecham** has also produced first-half figures which align well with market hopes. **Smiths Industries**, reporting for the full year, shows profits up by half, with the overseas side making the greatest headway (all the foregoing are discussed in the Lex column). **Wood Hall Trust** profits for the year are also up by almost a half and ahead of the forecast, while **United City Merchants'** *strong second six months has lifted the year's* pre-tax profits by more than half. **Martonair** shows profits growth of more than a third for the year, but the improved result from **Concentric** masks a stagnant second half. Of those reporting at mid-term, **Capper-Neill** has staged a strong turnround from loss to profit and **Head Wrightson** is making firm progress.

## Duke leaves Grendon

The Duke of St. Albans, the former chairman of Grendon Trust who sparked off a Boardroom row when he sold out to millionaire *Mr. Christopher Selmes, yesterday* severed his last links with the group.

Grendon disclosed that he had formally resigned from the Board *and all subsidiaries.* Grendon, *now* controlled by Mr. Selmes's Eastminster company, has appointed another director. Mr. Gerrard Camamile joins his Eastminster colleagues Mr. Brian Trent and Mr. Nicholas Wright on the Board.

The Duke's resignation comes less than a month after he quit as Grendon chairman, having sold the bulk of his shareholding to *Mr. Selmes in the middle of the* takeover battle for the group. A spokesman for Grendon commented: "He has resigned as a director of his own free will. I *am not aware of any severance* payment that has been made to the Duke."

## Wade turns in record £581,496

IN LINE WITH expectations both *sales and profits of* **Wade Potteries** reached record levels in the year ended July 31, 1973—increasing by 26 per cent. to £3.59m. and by 27.7 per cent. to *£581,496 in each case.* As a percentage of sales profits were 16.21 (16).

Profit attributable to Ordinary holders is £307,783, compared with an adjusted *£271,442*, and earnings per 10p share are stated at 6.16p (5.43p).

On the basis of a full year of imputation tax, and corporation tax at 50 per cent., Ordinary holders' profit would be £276,646 (£227,087) and earnings 5.53p (4.54p).

The dividend is raised from 2p to a gross equivalent 2.1p, with a final of 1.7p gross—1.19p net. A one-for-two scrip issue is also proposed for holders registered November 30.

Chairman Mr. A. J. Wade points out that the dividend for the year is the maximum allowed. If restriction had not been in force, *a final which more truly reflects* the results would have been considered.

| | 1972-73 £ | 1971-72 £ |
|---|---|---|
| External sales | 3,566,430 | 2,846,673 |
| Profit | 581,496 | 455,461 |
| Taxation | 270.713 | 181,019 |
| Net profit | 310.783 | 274,442 |
| Preference dividend | 3,000 | 3,000 |
| Earned for Ordinary | 307,783 | 271,442 |
| Dividends | 73,500 | 91,750 |
| Forward | 741,392 | 507,109 |

The chairman reports that demand continued at a high level, enabling the company to show substantial further growth. The policy of product diversification again enabled George Wade and Son to show a considerable expansion in sales and profit.

Plans are in hand for additional production capacity for the current year and a high level of activity is being maintained in technical, production and commercial development.

On prospects the chairman says that the current year has started *well, with healthy order books* and an increasing demand for products. Any forecast must be on the assumption that satisfactory solutions to the problems of *rising costs and shortages of* essential commodities will be found. On this basis "we look forward to a further expansion of sales and profit and another *successful year.*"

### ● comment

Wade's recent expansion and diversification efforts continued to pay off in 1972-73, lifting profits by 27 per cent., before tax. The market for electrical ceramics (the group's traditional product) has been declining for some time and to offset this Wade has been building up its other interests. These include making components for nuclear research and special refractories as well as producing ornamental porcelain and point-of-sale advertising products. So far these have proved successful and given that orders have re*mained generally healthy in the* current year the chances of further growth look good, even though the group could have some trouble maintaining its *margins in the current year.* At

## Martonair turns in peak £2.1m.

The record results forecast at midway by Martonair International *turns out to be profit of £2,105,744* for the year ended July 31, 1973 compared with £1,526,423 in 1971-72.

And a final dividend of 2.7857p *gross*—1.95p net—lifts the total from 4.27p to 4.485p per 20p share.

| | 1972-73 £ | 1971-72 £ |
|---|---|---|
| Turnover | 12,479,229 | 9,849,677 |
| Trading profit | 2,102,002 | 1,532,104 |
| Associates | 3,742 | 4,319 |
| Profit before taxation | 2,105,744 | 1,526,423 |
| Taxation | 897,256 | 655,936 |
| Net profit | 1,208,488 | 870,367 |
| Minorities | 32,226 | 13,198 |
| Extraordinary credits | 33,395 | — |
| Available | 1,209,657 | 857,589 |
| Dividends | 295,961 | 400,977 |
| Retained | 913,696 | 456,412 |

The group makes pneumatic control equipment.

Meeting, December 13.

### ● comment

The latest annual figures from Martonair — profits up 38 per cent. *on a turnover gain of 27* per cent., and representing a considerable acceleration in growth between first and second halves — establishes without doubt that *the group is back on the growth* tack after the brief profit hiccough in the first half of 1971-72. The market responded with a 5p *rise in the share price to 176p*, where the 15.6 p/e acknowledges that more is to come. Martonair's great strength is that roughly 75 per cent. of turnover emanates overseas, which in effect insulates the group from margin restraint complications. The only problems are the common ones of labour and raw materials with orders at the moment far outstripping production.

## Sayers assets may be overstated

Sayers (Confectioners) has been advised by its auditors that accounts of the subsidiary Sayers (Golden Bake) at January 27, 1973, have overstated its net assets by some £80,000 which could be *reduced by tax adjustments.*

The overstatement arises from an under-estimation at that date of certain provisions and an overvaluation of certain assets. The precise extent is at present being considered by the auditors and shareholders will be advised as soon as the position has been clarified. Net assets of Sayers *(Golden Bake) at January 27,* 1973, were stated at £565,000 and of the group nearly £1.5m.

Golden Bake has been badly hit by substantial increases in the cost of raw materials and wages and by Government actions in restricting the price of bread below an economic level. Largely *as a result it has traded at a* "substantial loss" for the first 6 months and unles there is some radical change may continue to do so for the time being.

Profits of the parent company for the first half year also been substantially reduced and here again this may continue until there is some substantial change *in trading conditions.*

The interim report it is anticipated will be out within the next three to four weeks.

## DIVIDENDS ANNOUNCED

| | Current payment % | Date of payment | Corre-sponding div. % | Total for year % | Total last year % |
|---|---|---|---|---|---|
| Neman Granger | 8.8(b) | Dec. 21 | 9 | 16.8 | 16 |
| Beecham ....int. | 13(a) | Feb. 1 | 12 | — | 28½ |
| Jessups | 0.97†(c) | — | 0.9 | 1.37 | 1.5 |
| F.M.C. ....int. | 5(g) | — | — | — | 12.6 |
| Baxters (Butchers) ..int. | 6(f) | Jan. 2 | 4 | — | 13½ |
| Head Wrightson ....int. | 0.75†† | Feb. 8 | 1 | — | 3.15 |
| English and Intnl. ..int. | 1.05§† | Nov. 30 | 1.5 | —(e) | 4.5 |
| British-Borneo Pet. int. | 2.31†(d) | Dec. 13 | 2.2 | — | 6.3 |
| Fortnum and Mason | 3.5§ | Dec. 29 | 5 | — | 25.16 |
| Boots ....int. | 2.1†(n) | Jan. 7 | 2 | — | 3.78 |
| Cumulus Invest. | 0.75†† | Dec. 21 | 1 | 1 | 1 |
| Northern Securities ...int. | 2.8§ | Dec. 21 | 4 | — | 14 |
| "Times" Veneer ....int. | 7.5(j) | — | 11.25* | — | 15.75* |
| Wade Potteries | 1.7†(h) | Dec. 18 | — | 2.1 | 2 |
| Wood Hall Trust | 5.25†(k) | Dec. 13 | 5* | 5.25 | 5* |
| Concentric | 1.68†(m) | Dec. 20 | 1.6 | 2.73 | 2.6 |
| Automatic Oil | 28.57(p) | — | 25 | 28.57 | 25 |
| Sungei Bahru | 0.45†(r) | Dec. 14 | 0.2 | 0.75 | 0.4 |
| White Drummond | 2.19†(q) | Jan. 11 | 2.08 | 3.5 | 3.33 |
| Luis Gordon ....int. | 2.5† | Dec. 17 | — | — | 3 |
| Smith Industries | 4.28†(o) | Dec. 14 | 4.25 | 8.83 | 8.5 |
| United City Merchants | 5.8 | — | 8 | 16.8 | 16 |
| English National Pfd. int. | 3¾ | Jan. 8 | 3¾ | — | 8 |
| English National Dfd. int. | 1 | Jan. 8 | 1 | — | 4 |
| Martinair | 2.79(s)† | — | *2.73 | 4.88 | *4.27 |
| Capper-Neill ....int. | 16(t) | Jan. 8 | 12 | — | 24 |
| J. N. Nicholls ....int. | 19.59(u) | Dec. 14 | 12.5 | — | 36.5 |
| South African Townships | 22.5(v) | Dec. 21 | 25.5 | 39.5 | 38 |
| J. L. Kler ....special int. | 1.15(x) | Dec. 10 | — | — | 4.59 |
| Southern India Tea | Nil | — | 4† | Nil | 4 |
| A.W. Securities ....int. | 5.91(w) | April 1 | 5.63 | — | 19.55 |

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issues. § Net—equal to last year's gross. (a) 2.275p net. (b) 6.16 per cent. net. (c) 0.6825p net. (d) 1.617p net. (e) Maintained total forecast. (f) 1.05p net—increased to reduce disparity. (g) 3.5 per cent. net. (h) 1.19p net. (j) 5.25 per cent. net. (k) 3.675p net. (m) 1.176p net. (n) 1.47p net. (o) 2.98p net. (p) 20 per cent net. (q) 1.534p net. (r) 0.315p net subject to Treasury consent. (s) 1.95p net. (t) 1.12p net. (u) 12 per cent. net—increased to reduce disparity. (v) South African cents. (w) 4.134 per cent. net. (x) Net.

## Concentric makes and pays more

AFTER BEING up by £213,765 to £569,685 at half way taxable profit of Concentric reached £1,063,356 for the year to September 29, 1973 against £880,454 for the previous 53 weeks. Stated earnings rose from 3.46p to 4.05p per 10p share.

And a final dividend of 1.68p gross—1.176p net lifts the total from 2.6p to 2.73p.

Chairman, Mr. D. F. Dodd, says *overall returns on turnover and* capital employed rose marginally. "Although these are not as high as we would like they indicate that some of the steps taken to improve profitability are beginning to bear fruit," he states.

| | 52 weeks 1972-73 £ | 53 weeks 1971-72 £ |
|---|---|---|
| Ext. turnover | 14,370,000 | 12,318,008 |
| *Profit* | 1,141,228 | 916,078 |
| Australian Cos. | †34.015 | 17,938 |
| Loan int. | 9,995 | 7,286 |
| Share of loss | 34,010 | *10,652 |
| Leaving | 1,117,211 | 934,016 |
| Loan stock int. | 53,855 | 53,562 |
| *Pre-tax profit* | 1,063,356 | 880,454 |
| Taxation | 450,784 | 357,201 |
| Net profit | 612,572 | 523,253 |
| Assocd. cos. losses‡ | 34,278 | *2.939 |
| Available | 646,850 | 520,314 |
| Dividends | 288,697 | 392,778 |
| Retained | 358,153 | 127,536 |

† Loss. * Profit. ‡ Adjusted against profits retained in Australia.

The group makes controls and assemblies for the domestic automotive and engineering industries.

Meeting, December 20.

### ● comment

Given the continued problems in the gas industry and the strikes at Chrysler and Perkins, Concentric's stagnant second half is *perhaps not surprising, although* still disappointing. An additional burden was the stock write off of £34,000 in the Australian business. Order books for industrial *controls are now said to be full,* but despite the dull projections for consumer spending the company still reckons that the domestic side will prove the strongest performer once again this year. The corporate target remains £2m. pre-tax by 1978, but a fully diluted net p/e of 11.2 at 40p must have an eye to more immediate prospects.

## CHEAPER FLIGHTS TO MAURITIUS

British Airways and Air Mauritius have introduced a new £150 low-cost group return fare between London and Mauritius.

## Argyle gross assets will top £105m.

Gross assets of Argyle Securities, Mr. Michael Rivkin's property group, will total £105m. and control a development programme—excluding the Hays Wharf scheme in London—currently worth some £134m.

This follows the takeover of *Cornwall Property Holdings* and deals which give Argyle control of one of France's largest publicly-quoted property groups, details of which were given yesterday in the *formal offer document for* Cornwall.

Cornwall's directors, with 7.6 per cent. of the capital are backing the bid. There is a cash *alternative of 120p per share—and* the underwriting is being carried out by the Trustees of the Post Office Staff Superannuation Fund, Mr. Jimmy Goldsmith's Anglo-Continental Investment and Finance (which already owns 39.7 per cent. of Argyle) and Union des Assurances de Paris, a French insurance company which intends to take an interest in Argyle's French interests.

In France, Argyle has initiated the merger of Haussman, Société des Glacières, and Union de Participations Immobilières, and *Argyle will control this* grouping.

### ICFC-FCI

The offer document relating to the proposed merger of Industrial *and Commercial Finance Corporation* with Finance Corporation for Industry has now been despatched to shareholders of FCI. The merger is to be achieved through *the acquisition by a new holding* company, Finance For Industry, of the share capital of both existing groups.

The new company will take over the *issued capital of ICFC* on a one-for-one share exchange basis, while ICFC is making a cash offer of £4.50 a share—worth a total of £11.25m.—for each of the *£10 shares of FCI*, which are held by institutions.

The terms are recommended as fair and reasonable by the FCI directors and their advisers Morgan Grenfell. Lord Sherfield, now chairman of ICFC, will become chairman of the new group.

### BROWN & ALBANY-HENLYS

Brown Brothers and Albany has *told the Board of the Henlys* motor group that, following the acquisition of a 25.2 per cent. stake, it wants to obtain agreements on "commercial co-operation" between the two companies. Henlys said its directors would now consider whether further talks to investigate this "would serve a useful purpose."

Brown Brothers also said it had built up its interest as a long-term investment and had no present intentions of mounting a bid.

## Capper-Neill now aims for over £628,000

ALTHOUGH NOT now expected to reach the level originally anticipated, *current year* profits of Capper-Neill should exceed £628,000, which would compare with £348,000 for 1972-73.

Profits for the six months ended *September 30, 1973, at £314,000* are in line with the results anticipated, and compare with a loss of £136,000 for the same 1972 period.

First half turnover at £7.36m. *against £7.62m.* reflects the poor order situation in the petroleum, chemical and other proces industries until early 1973. The subsequent upturn in investment has resulted in Capper-Neill obtaining a record order book, the director's report. The imminent steel price increases should not affect group trading significantly.

Contracts now being obtained *by Wm. Neill* and Son (St. Helens) are at somewhat better margins and considerable future work is expected from North Sea oil explorations.

The steel shortage is, however, causing gaps in short-term work which cannot be filled, in the otherwise healthy production programme. In addition, a general scarcity of skilled labour is *becoming increasingly apparent.* Consequently, earlier hopes for the second half will be affected by these factors, members are told.

A total dividend of not less than 32 per cent. gross for which the Treasury has indicated its consent, should be expected for the year compared with 24 per cent. An interim up from 12 per cent. to a gross equivalent 16 per cent. —1.12p net—is declared.

"Future prospects are good and the group is well placed to enjoy a prosperous long-term future," declare the directors.

| | Six months 1973-74 £ | Six months 1972-73 £ |
|---|---|---|
| Turnover | 7,359,000 | 7,762,000 |
| Trading profit | 302,000 | *147,000 |
| Expenditure grants | 12,000 | 11,000 |
| Profit before tax | 314,000 | *136,000 |
| Taxation | 148,000 | †50,000 |
| Net profit | 166,000 | *86,000 |
| Dividends | 113,707 | 121,839 |

* Loss. † Recoverable.

No deduction has been made against the half-year profits for the direct costs incurred in fighting the Whessoe take-over bid.

### ● comment

Capper-Neill has staged a turnround of £450,000 from losses to profits in the first half of the year, *though against the final six* months of 1972-73 there has been a setback of 45 per cent. or so; this is partially explained by the fact that the second six months generally produces the higher profit and also that all the stops were pulled out during that period in defence against the Whessoe bid. However, it is clear that earlier outside estimates for the current year of £1¼m. are well beyond reach and a more likely figure would appear to be £0.8m., putting the shares at 42p on a prospective net p/e of 10.4 and historic yield of 7.8 per cent. But this seems reasonable enough given the healthy order book and the growing number of contracts secured with materials supplied.

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# ISSUE NEWS AND COMMENT

## Water Preference tender at £91½

Arrangements have been completed by brokers Laurie Milbank and Co., for an offer for sale by tender of £1.5m. 7 per cent. Redeemable Preference stock 1978 in West Kent Water Company at a minimum price of £91½ per cent.

*Tenders must be accompanied* by a deposit of £10 per cent. to be received not later than November 19. The balance will be payable not later than Friday December 7.

### ● comment

West Kent is bound to be something of a tester for the water Preference market, given that interest rates have now settled since the rather luke-warm reception accorded to the last batch of issues. Remnants of stock from the recent issues left around in the market were taken up firm at an average price of around 92¼ per cent. so West Kent's stock is not *only* favourably priced but it is also the only stock of its kind for sale. If issue has a sporting chance of there are buyers around them th... success.

### STAFFORDSHIRE POTTERIES

Arrangements have been ma... by Staffordshire Potteries Wa... Board for a placing by J. and ... Scrimgeour of £1.5m. 11¼ per c... Redeemable stock 1981. T... issue price is £99 and will ... payable in full on application... £375,000 of the stock has be... placed with the market.

Proceeds will be applied... redemption of the £900,000 7½ p... cent. Redeemable stock 1973 d... for repayment on November ... 1973 and in reducing tempora... loans. Particulars of the sto... will be available on Monday an... dealings are expected to start ... November 16, 1973.

### OFFICIAL QUOTATIONS

The undermentioned securities ha... been admitted to the Official List:—

Anglesey County Council—£250,000 ... per cent. Bonds November 13, 1974, f... paid.

Ashton-under-Lyne (Borough of)—£2... 13¼ per cent. Bonds November 13, 1... fully paid.

Bognor Regis Urban District Coun... £250,000 13¼ per cent. Bonds November ... 1974, fully paid.

## UCM tops £1.4m.: scrip issue

THE INCREASED profit indicated by United City Merchants turns out to be from £905,557 to £1,408,058, before tax, for the year to June 30, 1973, and has exceeded expectations, says the chairman, Mr. E. Sosnow.

A final dividend of 5.8 per cent. gross lifts the total from 16 per cent. to the maximum permitted 16.8 per cent. And a one-for-three *scrip issue* for holders registered on November 26 is proposed. Earnings per 10p share were 7.36p (4.79p).

Current trading is extremely *buoyant, the forward order book* is at record levels and substantial further growth is expected, says Mr. Sosnow. There should be no difficulty in maintaining the dividend on the increased capital (subject to Government regulations), he adds.

| | 1972-73 £ | 1971-72 £ |
|---|---|---|
| Group sales | 90,115,839 | 76,774,979 |
| Profits | 1,540,282 | 1,037,979 |
| Loan units interest | 132,224 | 132,422 |
| Profit before tax | 1,408,058 | 905,557 |
| Taxation | 639,621 | 376,599 |
| Minorities | 67,272 | 70,433 |
| Attributable | 701,165 | 458,915 |
| Dividends | 139,853 | 139,381 |
| Balance | 561,112 | 319,534 |

The profit growth emanated from increased sales, greater efficiency, and reduction in overheads and administration costs. The source was about 30 per ce... each from timber, leather ma... facturing, general commod... trading and exports; the bala... of about 10 per cent. came fr... finance and banking.

No speculative positions w... taken. Income was derived ma... from agency and brokerage co... missions and by strict applicat... of the "back-to-back" method... trading.

A re-valuation of freeh... properties in the U.K., has thro... up a surplus of £548,363 over... book values. Net tangible ass... increased by £1m. to £4.2m.

There were neither new acq... sitions nor new capital iss... during the year; the results w... achieved entirely from inte... organic growth.

### ● comment

United City Merchants has ... had the recognition it deser... for some time now but perhap... second half of nearly doub... profits for an overall gain of... per cent. pre-tax might start... ball rolling towards righ... status. Trade has been strong... all geographical areas and co... modities handled. Timber is ... in demand and UCM will ... reap the benefits of the hig... prices here—orders are made... months in advance—while t... way trade with Eastern Europ... countries is expanding fast. S... is the overall climate that U... could exceed £1m. in the curr... half and probably £2m. for 1... 1974. This would drop the ... from a net 8 fully diluted at ... to 6.3 which is clearly in n... of an upward adjustment.

هكذا علمت الأيام

# Beecham over £5½m. ahead after six months

N SALES showing an advance £32.7m. to £152.57m., profits of e Beecham Group have panded by over £5½m. to 4.98m. in the half year ended ptember 30, 1973.

Earnings per 25p Ordinary are are stated at 9.37p against 11p. As a result of the introduction of the imputation tax stem, the earnings for the 1973 lf year are not comparable with ose published on previous casions. Earnings shown for e 1972 half year have been justed from figures previously blished to make it comparable.

The interim dividend is raised om 12 per cent. to a gross uivalent 18 per cent. Under isting law the final will be ited to a gross equivalent of 56 per cent., compared with 25 per cent. for 1972-73. The ofit before tax, for that year s £43.85m.

The 1973-74 interim dividend ll not be paid in respect of dinary shares allotted to lders of Beecham International ldings SA 3½ per cent. Guaranted Convertible Debentures idered for conversion after vember 7, 1973.

| | Half-year 1973-74 £000 | 1972-73 £000 |
|---|---|---|
| up sales | 152,570 | 119,906 |
| ding profit | 27,491 | 21,859 |
| interest | 2,505 | 2,196 |
| fit before tax | 24,986 | 19,463 |
| ation | 11,618 | 8,500 |
| profit | 13,368 | 10,963 |
| orities | 165 | 106 |
| ilable | 13,203 | 10,857 |

Principal group activities are manufacture and sale of letries, cosmetics and home nedies, food and drink procts, pharmaceutical and erninary products.

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See Lex

## British Borneo Petroleum up at halfway

n the half year ended ptember 30, 1973 profits of tish Borneo Petroleum Syndie improved from £241,387 to 2,937.

The interim dividend is raised om 2.2p to a gross equivalent lp per 10p share—1.617p net. e total for 1972-73 was 6.5p, d from profits of £362,850.

Value of group investments at ptember 30, 1973 was £7.45m. arch 31, 1973 £7.67m.).

| | Half year 1973 £ | 1972 £ |
|---|---|---|
| dends and interest | 205,943 | 179,696 |
| it on realisations, etc.* | 114,504 | 93,508 |
| ninistration expenses | 29,708 | 15,940 |
| rest | 16,742 | 5,375 |
| loration expenses | 11,008 | 7,508 |
| it before tax | 262,937 | 241,387 |
| poration tax | 60,780 | 42,050 |
| on franked income | 42,645 | — |
| profit | 159,532 | 199,337 |
| dends | 72,785 | 99,000 |

Profits on realisation of investments, term interest and other income.

## J. Collett loss £263,573

From group sales of £1,921,935 inst £2,236,920, J. Collett orts a net loss of £263,573 for 13 months ended April 30, 3, compared with a deficit of 728 for the previous 12 nths.

he loss was struck after tax ler-provision £1,692 (£51,905), overable), reorganisation exses £17,000 (£3,174 and £10,156 e-over expenses). The deficit vard is £95,780 (£167,793 sur-).

and and buildings brought vard at April 1, 1972, at a cost £392,901 were revalued at 5m. The surplus has been ied to capital reserve.

eeting of the company—hat ers—will be held on Decem- 18, at 11 a.m., at 23-28, Charouse Square, E.C. Collett is ember of the Lyon Group.

## BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last years timetable.

**TO-DAY**

Interims—Comben Group, East Midland Allied Press, Feedex, Craig Shipping, Maurice James, *Ocean Wilsons, Takeda Chemical, Tranwood, Weston Pharmaceuticals, Wormalds Walker and Atkinson.

Finals—Berry Trust, Clyde Blowers, Haighton and Dewhurst, Houseof Sears, London and Provincial Shop Centre, Wolseley-Hughes.

**FUTURE DATES**

Interims—

| | |
|---|---|
| Bryanston Finance | Nov. 14 |
| Century Securities | Nov. 22 |
| Flight Refuelling | Nov. 29 |
| Joseph (Leopold) | Nov. 12 |
| Land Securities Inv. Trust | Nov. 20 |
| Nigerian Electricity Supply | Nov. 13 |
| Odex Racasan | Nov. 28 |
| Finals— | |
| Fenner (J. H.) | Nov. 15 |
| Sanderson Murray and Elder | Nov. 15 |

## J. N. Nichols midway jump to £150,777

Taxable profit of J. N. Nichols (VIMTO) expanded from £83,944 to £150,777 in the half-year ended September 30, 1973, bringing it within £15,865 of the total for 1972-73.

The directors explain that the "excellent results" were largely facilitated by an increase in export turnover in excess of 100 per cent. While the position with regard to orders remains very satisfactory shortages of packaging and raw materials make forecasting for the next six months very difficult.

The interim dividend is stepped up from 12.5 per cent. to a gross equivalent 19.59 per cent.—12 per cent. net. The increase is to reduce disparity. Total for 1972-1973 was 36.5 per cent.

The group makes fruit compounds, essences, squashes and cordials.

## Slowdown at Newman Granger

Profit of Newman Granger Industries for the year to July 31, 1973 improved from £290,533 to £318,411, after being £52,000 ahead at half way.

The final dividend is 8.8 per cent. gross, or 6.16 per cent. net, to make a total of 16.8 per cent. (16 per cent.).

Group activities include the manufacture of screw threaded jacks. Turnover came to £2.64m. (£2.14m.) and net profit was £180,561 (£173,073) after tax £137,850 (£112,460).

The directors report that the current year has opened well in all the subsidiaries and prospects are good.

## Dowding and Mills progress

Trading for the first quarter of electrical and mechanical repair engineers, Dowding and Mills, is up on the previous year, but the chairman, Mr. K. H. Sharp, stresses that the company is dependent upon the general level of activity in industry as a whole.

Substantial capital projects are in hand to re-equip existing branches. With bank facilities the company will be able to meet all expenditure at present envisaged.

As reported on October 11 group pre-tax profit for the year to June 30, 1973 was £780,836 (£570,301) and the dividend 28 (26.66) per cent.

Meeting, Birmingham, December 3 at 12.30 p.m.

Chairman's statement, Page 16

## Baxters (Butchers) up so far

PROFITS OF Baxters (Butchers) expanded from £577,000 to £756,000 in the 26 weeks ended September 29, 1973, and the directors report that second half trading has continued at a satisfactory level.

Sales showed an advance from £12.58m. to £16.55m. Providing for much heavier tax of £378,000 (£231,000), the net profit emerges at £378,000, against £346,000.

To reduce disparity the interim is raised from 4 per cent. to a gross equivalent 6 per cent. The total is expected to be not less than the 15.75 per cent. paid for 1972-73. Profit, before tax, for that year was £1.22m.

**● comment**

Both the manufactured and fresh meat sides of Baxters were badly hit in the latter half of last year; the former by the rigours of Phase One and the latter by initial consumer resistance to much higher prices. The situation for manufactured foods has changed little, so the message from the interim pre-tax profits advance of 31 per cent. on a similar sales increase seems to be two-fold; first that the upward renegotiation of fixed price contracts has had its full impact in halting the slide in margins, and secondly that the demand for meat is not proving so price-sensitive as it at first appeared. On the last 12 months earnings, the net p/e, at 12p, is 12.7.

## "Times Veneer" confident of growth

Including £15,546 from RJC (Coffins) acquired on January 1, 1973, pre-tax profit of "The Times" Veneer Company improved from £71,611 to £113,007 for the half-year to June 30, 1973.

The Board is confident that growth will continue and that the newly-acquired subsidiaries will make a worthwhile contribution.

Meanwhile, the interim dividend is effectively cut from 11.25 per cent. to 7.5 per cent. gross—5.25 per cent. net. Total for 1972 was equal to 15.75 per cent. paid from profit of £122,727.

Sales for the half-year jumped from £513,923 to £1,047,840 and tax came to £54,200 (£28,700).

## Hoare Govett setback

Pre-tax profit of stockbrokers, Hoare and Co. Govett, decreased sharply from £1,388,000 to £709,000 for the year to June 1, 1973. Earnings were down from £1.28 to 83p per share and there is no dividend.

And the chairman says that prospects for the current year are not good.

In the first quarter results were significantly below budget, in spite of some bright spots, and unless activity picks up soon and sharply a further profit reduction must be expected.

He believes, however, that in the facilities which have been developed there is a prosperous future for the company.

| | 1972-73 £000 | 1971-72 £000 |
|---|---|---|
| Revenue | 6,644 | 6,691 |
| Pre-tax profit | 709 | 1,388 |
| Taxation | 211 | 651 |
| Net profit | 498 | 737 |

## DCM INTNL.

Dunbee-Combex-Marx, the toys and DIY group, announces the formation of DCM International BV in Amsterdam, Holland. The division will concern itself entirely with the toy industry and in particular the activities of SIO BV of Holland and the recently acquired stake in R. B. Davies Industries of New South Wales, Australia.

# Royal Dutch/Shell third quarter advance

NET INCOME of the Royal Dutch/Shell group, the international oil and chemicals concern, moved up from a very depressed £45.1m. to £166.8m. in the third quarter of 1973, pushing up the total for the first nine months to £423.8m.—an increase of £232.3m. on the same 1972 period and £142m. above the total for the whole of that year.

| | Nine months 1973 £m. | 1972 £m. |
|---|---|---|
| Sales proceeds | 7,284.7 | 5,719.9 |
| Sales taxes, duties, etc. | 2,264.1 | 1,826.6 |
| Leaving | 5,020.6 | 3,913.3 |
| Other revenues | 144.3 | 120.5 |
| Share of associates | 62.7 | 42.8 |
| Interest income | 60.6 | 41.1 |
| Making | 5,288.2 | 4,117.7 |
| COSTS AND EXPENSES | | |
| Purchased oil, chemicals, etc. | 1,628.6 | 1,115.3 |
| Operating expenses, etc. | 1,558.9 | 1,742.9 |
| Exploration and research | 155.6 | 134.9 |
| Depreciation, etc. | 324.4 | 300.6 |
| Interest expense | 100.1 | 52.4 |
| Taxation* | 761.7 | 542.0 |
| Minorities | 34.1 | 24.6 |
| Total | 4,864.4 | 3,946.2 |
| Net income | 423.8 | 171.5 |
| FINANCIAL DATA | | |
| Capital expenditure | 426.2 | 474.0 |
| Cash and short-term secs. | 951.6 | 768.2 |
| Long-term debt | 1,419.5 | 1,304.2 |
| OPERATIONAL DATA† | thousand barrels daily | |
| Crude oil production | 5,648 | 5,358 |
| Crude oil processed | 5,512 | 5,044 |
| Sales of crude oil | 6,726 | 6,222 |
| | million cubic feet daily | |
| Sales of natural gas | 6,148 | 5,746 |

* Excludes U.K. ACT. † Includes 100 per cent. of consolidated companies' figures plus the group proportion of associates' figures.

The "Shell" Transport and Trading Company has a 40 per cent. interest in the group and Royal Dutch Petroleum Company 60 per cent.

Total revenues increased from £4,117.7m. to £5,288.2m. in the nine months and from £1,388.3m. to £1,864.3m. in the third quarter.

Oil demand was substantially above the level for the corresponding period in 1972, the directors report.

Margins per barrel of oil sales for the first nine months have now recovered from the low levels of the past few years to those prevailing in 1968. Meanwhile the purchasing power of money has diminished considerably. Freighting costs which last year were adversely affected by a surplus of vessels are now showing a favourable picture, members are told.

The high level of capital expenditure incurred over the past several years has also started to show through in profits.

The gas business continues to expand. The substantial Brunei-Japan liquefied natural gas project is ahead of schedule. Demand has also been strong in the chemical industry and profitability is returning to a more reasonable level, the directors report.

Since the end of the quarter, certain oil exporting countries have unilaterally raised the posted price of crude oil and reserved the right to amend posted prices at future dates. Also some of the countries have imposed restrictions on the level of oil production and destination of exports.

"These two actions give rise to considerable uncertainties on the future supply and price situation in world oil markets," they conclude.

See Lex

## Telfer first half profit improvement

Results of Telfer and Company, Glasgow-based departmental store, for the half-year to July, 1973 show a small decrease in turnover compared with the 1972 half-year, but expenses have been contained and a slight improvement in profitability seems to be indicated, the directors state.

There has been an increase in turnover during the current half-year which more than compensates for the drop in the first half and it should be clear by the year-end whether this increase in turnover will continue. In the circumstances however the directors feel it would be imprudent to pay an interim dividend. The last Ordinary payment was 5 per cent in respect of 1970-71.

Because the group is now doing a retail trade, the year-end is being changed from January 9 to 31, 1974.

Healey and Baker have been instructed to value the company's properties and this will be shown in the 1973-74 accounts.

## Midway rise by Head Wrightson

TAXABLE PROFIT of general engineers Head Wrightson and Co. jumped from £271,000 to £431,000 in the half year to July 31, 1973 and full year profit should top last year's £1.35m. the directors state.

Results for 1974 should show further improvement, they add.

Meanwhile the interim dividend is maintained at 1p gross—0.7p net and a total not less than the 3.15p of 1972-73 is forecast.

| | Half-year 1973 £000 | 1972 £000 | Year 1972-73 £000 |
|---|---|---|---|
| Turnover | 18,731 | 15,467 | 31,056 |
| Trading profit | 540 | 310 | 1,456 |
| Bank & deb. int. | 111 | 44 | 112 |
| Investment income | 2 | 5 | 6 |
| Profit before tax | 431 | 271 | 1,350 |
| Tax | 122 | 97 | 352 |
| Net profit | 309 | 174 | 998 |

The directors say the growth in the economy which has been apparent for some time was not fully reflected in the activity of the half year. However order books are improving.

**● comment**

Steel stock profits plus a swing back to profits among the supply companies have enhanced some good volume gains at Head Wrightson and six-month profits are 59 per cent. ahead pre-tax. Demand remains patchy at the heavier end but the forgers, founders and steel stockholders—these latter may eventually account for 15 per cent. of turnover this year—are all performing very well. HW is sticking firmly to its forecast of profits growth next year as well as this so a past 12-month p/e of 10.8 net at 59p looks good value. Moreover, net worth is in the books at around 75p and there are some sizeable undervalued freeholds.

Statement, Page 20

# Smiths Industries jumps 50% to peak £10½m.

REFLECTING significant further growth both at home and overseas, profits of Smiths Industries show an advance of almost £3½m. to a record £10.55m. in the year ended August 4, 1973. At half way, profits up from £3m. to £4.82m. were reported.

The dividend total is raised by the maximum permitted—*from* 6.5p to a gross equivalent 6.82857p per share. The final is 2.98p net—equal to 4.25714p gross.

The year's turnover expanded from £94.55m. to £117m. The percentage increases of turnover and profit were 24 and 30 respectively or 16 and 43 after excluding the effect of acquisitions. There has been a much higher level of organic growth than for some years, the directors state.

*Earnings per 50p share are* shown to have increased from 13.8p to 18.4p and the return on funds from 18.3 per cent. to 22.9 per cent.

| | 1972-73 £000 | 1971-72 £000 |
|---|---|---|
| Turnover | 117,000 | 94,550 |
| Trading profit* | 11,670 | 8,427 |
| Interest | 1,122 | 1,371 |
| Profit | 10,548 | 7,056 |
| Taxation | 4,455 | 2,770 |
| Net profit | 6,093 | 4,286 |
| Extraordinary items† | 477 | — |
| Ordinary dividends | 1,610 | 2,120 |

* *After providing for depreciation* £1,588,000 (£1,438,000). † Extraordinary items relate to the writing back of the provision against the debt due from Rolls-Royce following payment and sale of the Treforest factory.

An alalysis of turnover and *trading profit by classes of business* is given in the following table.

| TURNOVER | 1972-73 £000 | 1971-72 £000 |
|---|---|---|
| U.K. vehicle manufacture | 30,050 | 18,100 |
| Aerospace | 18,350 | 14,350 |
| Marine | 8,500 | 7,150 |
| Other industries | 18,600 | 16,900 |
| Supplied through distribtrs. | 39,650 | 28,500 |
| Total U.K. | 105,350 | 85,000 |
| Overseas subs. | 15,150 | 12,400 |
| Deduct internal sales | 3,500 | 2,850 |
| Totals | 117,000 | 94,550 |
| **TRADING PROFIT** | | |
| U.K. vehicle mnfr. | 1,891 | 1,055 |
| Aerospace | 1,892 | 1,456 |
| Marine | 337 | 508 |
| Other inds. | 1,968 | 1,695 |
| Supplied through distribtrs. | 4,273 | 3,191 |
| Total U.K. | 10,566 | 7,903 |
| Overseas subs. | 1,104 | 524 |
| Totals | 11,670 | 8,427 |

There was a favourable cash movement of £5.4m. during the year mainly arising from trading operations of which £3.6m. was used in the purchase and financing of acquisitions. The principal acquisition—Claude Rye—was made in June, and therefore had little effect on the results.

See Lex

# Advance by White Drummond

UNIT TRUST managers White Drummond and Co. reports profit of £1.06m. against £1.05m. for the year to September 30, 1973, after tax of £389,310 (£387,762).

Earnings are given as 11.6p compared with 11.5p per 5p share.

And a final dividend of 2.191p gross—1.534p net lifts the total from 3.33p to 3.5p.

Turnover jumped from £2.64m. to £3.64m.

# Support for FMC chief

**By Nicholas Owen**

*The National Farmers Union* has voiced no disapproval of the £16,000 profit-linked salary rise taken by Sir John Stratton, chairman of the FMC meat wholesaling group, shareholders were told yesterday.

This was stated by Mr. Edmund de Grey Seaman, a member of the farmers' co-operative and at present a vice-chairman of FMC. Echoing words already used by Sir John himself in explaining why he took the increase, Mr de Grey Seaman, said that Board members agreed with the principle that once bargains were struck, they should be honoured.

He was speaking at FMC's annual meeting, when several of the 120 or so shareholders present praised Sir John's role in building up the company.

Sir John complained again at the "very painful" experience of being criticised for accepting his profit-sharing bonus, which he has said will go entirely to the Inland Revenue and charities.

For the first time, FMC yesterday announced half year results, stressing that because of the "highly seasonal" nature of the meat trade, they should not be taken as a guide to the full year.

Sales rose from £87.3m. to £108.8m., and pre-tax profits advanced from £1,376,000 to £1,428,000. The outlook for the *whole of 1972-73 is described as* "satisfactory."

# Decca profit margins

The Decca electronics group has found, after all, that the basis of its permitted profit margins under the latest stage of the Government's anti-inflation policy will not change.

*At the October 30 annual meeting*, Sir Edward Lewis, the chairman, stated that the permitted margin for the home market under Stage Three would probably be based on the best two of the last five years. The company explained yesterday that this appeared to be the position spelled out in the Government's consultative document, but the basis in the actual legislation was switched back to that operative under Phase Two.

Now, the margin from November 1 will be calculated on the percentage for the year which ended on March 31.

See Lex

## CONTROL SECS.

Control Securities has now issued to the former shareholders of Cefn Estates a further 21,676 *fully paid Ordinary shares* (£15,173 at 70p per share) in respect of th period April 1, 1972, to March 5, 1973.

# Paterson Zochonis cautious

Reporting on a year which has seen "new records in turnover and profit," Mr. J. Zochonis, chairman of Paterson, Zochonis and Co., says that the first quarter of the current year indicates that "turnover is generally higher and margins are being maintained."

Mr. Zochonis, however, warns that the "inevitable complexities" of a company trading in so many overseas countries make it impossible to forecast results at this stage.

As reported on October 20 pretax profits for the year ended May 31, 1973 were £3,701,000 *(£2,460,000) on a turnover of* £55,812,000 (£49,088,000). Dividend was 4.59375p (4.375p).

Reviewing activities, Mr. Zochonis says Associated Industries, in Nigeria, has had a very successful year. Production of detergents has developed and the soap factory is extending its product range.

Also in Nigeria, Mr. Zochonis says Thermocool Engineering Company, has already started to *manufacture, and it is planned* that by the end of the present year it will be producing a comprehensive range of domestic refrigerators, to be closely followed by bottle coolers, freezers and commercial refrigerators."

The company's thread, pharmaceuticals, cosmetics and perfumery operations in Ghana and Nigeria "enjoyed a successful year."

During the year, Paterson, Zochonis bought Roberts Laboratories of Bolton, Lancashire, and reports that this company in addition to expanding its present activities, which include the manufacture of "Zubes" products, will also provide valuable back-up facilities for West African operations.

Meeting, Manchester, December 3, noon.

## STORNOWAY BUILDERS

Storonoway Builders, the large construction company on the Isle of Lewis for which a receiver was *appointed by the Bank of Scotland* last month, has been sold to N. Macleod and Company, of Portree, Skye.

## MINING NEWS

# Rand Selection pays more

**BY KENNETH MARSTON**

AFTER an unexiting *dividend* record over the past 10 years during which there have been six annual dividend increases of 2½ cents, Rand Selection has lifted its total for the year to September 30 by 7½ cents to 52.5 cents (32.4p) with a final of 35 cents (21.6p). Net profits of the Anglo American group investment company have risen to R25.9m. (£16m.) from R21m. in 1971-72.

The major factor in the *increase has been the rising flow* of higher dividends from the holdings in Gold shares which contributed 45 per cent. of investment income in the previous year. Of the other major investment sources industrials then provided 17 per cent., diamonds 13 per cent. and copper 9 per cent.

The market value of the quoted investments at September 30 last has expanded to R689.5m. *(£425.6m.)* from *R597.9m.* a year ago. So far as the current year is concerned all the major investment sectors look like making a larger contribution to revenue, notably the holdings in gold, diamonds and copper. De Beers has a stake of 48.23 per cent. in Rand Selection the shares of which were 700p yesterday.

## DISILLUSIONED WITH AUSTRALIA

In company with many other exploration and mining companies Acmin Explorations is "not encouraged to continue searching for minerals, oil and gas in Australia because of the change in government attitude towards the mining industry generally" the chairman Mr. David J. McLeod says in the annual report.

Accordingly, it is considered likely that Acmin will become involved in other fields of corporate development within or outside Australia. Such activity will be reported on as it develops the chairman says.

The search in Britain is stated to continue although most of the mineral prospects including the Durham lead-zinc area have been relinquished. *The* main U.K. interest is now the 5 per cent. participation in five blocks of the North Sea oil and gas exploration licences.

The joint investment with Vavasseur of 25.5 per cent. apiece in the South Wanarajah Tea Estates is operating profitably with a 5-year development programme being implemented. Other investment situations in the U.K. are being evaluated. Yesterday Acmin were unchanged at 18p. The shares of the parent company Acmex were 21p.

## WAR & ISRAEL'S DIAMOND TRADE

It is reported from Israel that, despite the war, diamond exports of $36.6m. in October dropped by less than $6m. from those for the same month last year.

The Israel Diamond Institute adds that overseas sales of polished gems reached a 10-month total of $491.4m., well ahead of the $385m. total for the whole of 1972. Diamond exporters are stated to be convinced that the industry will maintain its position as the world's largest producer-exporter of gems.

They are currently selling mainly from inventories which are believed to be sufficient to last three more weeks but production is beginning to revive.

## BIG IRON ORE PROJECT

An agreement has now been signed between the Western Australian Government and Northern Mining Corporation for the development of a $270m. (£166m.) iron ore mining industry with a *potential to* become an early steel producing operation.

As previously announced, the mine will be in the Weld Range and the outlet will be through a *new port near Geraldton via* a 230-mile railway. Initial ore output rate envisaged is at least 5m. metric tons a year. The State will guarantee a loan of up to $42m. for the construction of the railway which, unusually, will eventually be taken over by the State.

The Western Australian Premier Mr. Tonkin said that the formal agreement would allow the company to begin firm negotiations for sales contracts. Start-up date is put at around 1977. As reported here on October 2 Mitchell Cotts and Tanganyika Concessions did not take up their options on further shares *in* Northern Mining which were quoted in London yesterday at 3p.

## POSEIDON IS PLODDING ON

According to Adelaide messages, Poseidon's annual report adds little to the general picture of this former high-flyer's prospects. The Windarra ore reserves, including South Windarra, are put at 21.8m. metric tons using a 0.5 per cent. nickel cut-off or 8.9m. tons grading 1.92 per cent. nickel and 0.13 copper on a 1 per cent. cut-off.

These figures are *stated* to relate to reserves down to an approximate depth of 460 metres (1,509 feet) at Mt. Windarra and 174 metres (571 feet) at South Windarra. In his annual review the managing director Mr. E. O. Myers says that Western Mining will spend almost $14.8m. (£9.1m.) on the joint venture project and will contribute a further $4.07m. before Poseidon begins sharing expenditure.

Long-term loan funds with the Australian Industry Development Corporation have been arranged to cover Poseidon's remaining liability. AIDC has also advanced "substantial funds" to enable the Samin subsidiary to complete its *stage-two expansion* at the Burra copper mine in South Australia.

In order to overcome exchange rate disadvantages the Windarra plant design is now being based on an annual throughput of 1m. metric tons a year. Poseidon fell 5p to 420p yesterday. It would *seemingly need a nickel price rise* to stimulate much in the way of renewed buying enthusiasm.

# RTZ views

DIVIDEND restrictions under the U.K. Phase Three policy should allow Rio Tinto-Zinc to improve its retained cash flow and increase liquidity. The deputy chairman, Sir Mark Turner, pointed out in Frankfurt yesterday that, as the company had already raised its 1973 interim by the permitted maximum of 5 per cent. of the 1972 total, Phase Three indicated at the moment that there could be no increase in the current year's final.

*Answering questions* at a Press conference prior to the introduction of RTZ shares on the Frankfurt bourse, planned for the end of this month or early in December, Sir Mark added that raw material prices should remain buoyant in line with world shortage and the cost of new investment for mining.

He foresaw a greatly increased demand for the group's uranium resulting from the present oil crisis. On the exploration side Sir Mark considered uranium and North Sea Oil (via the link with Hamilton Brothers) as being the most hopeful in the near future.

Despite the Australian Labour *Government's policies, he still* viewed the group's important interests down under with "considerable confidence" and anticipated good growth in demand for iron ore. He reckoned that the big Bougainville copper-gold mine in Papua New Guinea should continue to provide a substantial profit after that country's forthcoming independence.

It seems that the only black spot in RTZ's earnings picture at the moment is Anglesey aluminium and the group is clearly set to produce brilliant profits for this year. But the low yield coupled with dividend limitation is reflected in last night's price of 219p compared with a high for the year of 270p.

## MINING BRIEFS

*EX-LANDS NIGERIA*—October production of Tin ore: four weeks: 42 metric tons (September: four weeks: 47½ tons).

*MALAYSIAM TIN*—October: Tribute ore sold 9.56 metric tons (September: 5.79 metric tons), working profit £942 (£469).

# Glanvill Enthoven's peak year

Mr. G. R. S. Allardyce, chairman of Glanvill Enthoven and Co., insurance broking member of the Charterhouse Group, said yesterday that 1973 was the best year in the company's history.

He told members at the annual group conference in the Baltic Exchange that it was the policy to grow, not *only by organic* growth, but by acquisition internationally.

The group had already entered into conversations with possible American partners and in South Africa *was having discussions with* two brokers, one in Port Elizabeth and the other in Durban. In New Zealand they were hopeful of acquiring a share in a large firm of brokers in Auckland and *Wellington and efforts to achieve* representation in the Far East were continuing.

## SANDEMAN REPAYMENT

The creditors of Geo. G. Sandeman Sons and Co., the international Port, Shery and Capa Negra Brandy shippers, intend to *call a meeting of the holders of* the £750,000 6 per cent. debenture stock 1983-88 ("the Stock") to propose an extra-ordinary resolution for early repayment of the stock at a price of £82 for every £100 *nominal.*

If the resolution is carried the stock will be repaid on December 31, 1973, and the interest accrued (less tax) from July 1, 1973, to December 31, 1973, wil lalso be paid on that date.

# EMI poised for expansion

IN SPITE of international trading problems and difficulties, EMI, the international electronics, records and entertainment group, will further advance this coming year in terms of turnover and profitability, says the chairman, Sir Joseph Lockwood.

In Europe, where the company has *the* "advantage of well-established companies in the EEC with the exception of Luxembourg," he says EMI is currently pursuing plans to strengthen activities in domestic electronics, entertainment, hotel and catering activities in selected areas. This is in addition to records and music operations.

U.K. and Continental Europe are regarded as a single area of operations and all business plans *are being pursued accordingly.* Expansion projects range from new electronics businesses to diversification into further fields of entertainment and leisure.

While particular importance is attached to Europe, it is not proposed to lose sight of the necessity to maintain and develop already strong business interests in North America and all other parts of the world—particularly Japan.

As reported on October 3 group profit, before tax, for the year to June 30, 1971, was £27.27m. (£18.34m.) and the dividend 15.75 (15) per cent. gross.

The good results were mainly due to a greatly increased contri*bution from North America,* through Capitol's sustained recovery growth.

They also reflected a strong improvement in Europe, a substantially higher contribution from U.K. *electronics and industrial operations*, and a best ever result from Thames.

Turning to Elstree Studios, which made a "substantial" loss last year, Sir Joseph says that every effort will be made to provide work, but its continuing future cannot be guaranteed on the present basis.

Property activities made further progress and maintained an appropriate level of profit contribution.

Meeting, New London Theatre, Drury Lane, W.C., December 3, at 11 a.m.

Because the interim results could give a misleading indication of the year end profit due to the *seasonal* nature of the business, the financial year is changed to April. The current financial period will cover 13 months to April 27, 1974.

Net attributable profit for the half year was £34,500, after tax £15,300 and minority interests £500. A gross interim dividend of 2.5p per 10p share is declared. A single payment of 3p was made for the previous year.

The existing agency business in marketing Domecq sherries, Fundador and other brandies continued to make good progress and there has been considerable achievement in diversification during the half year.

# Luis Gordon growth

First half sales (to July 31, 1973) of Luis Gordon Group of £2,377,500 and pre-tax profit of £50,500 are in line with forecasts, and the chairman, Mr. L. G. Gordon, indicates increased profits for the current period. The company was made public in October 1972.

# Jessups ahead £77,000

MOTOR engineers and dealers Jessups (Holdings) reports its profit up £77,288 to £267,328 for the year to August 31, 1973.

And the directors expect further progress for the current year.

The final dividend is 0.975p *gross, equal to* 0.6825p *net,* to lift the total from 1.5p to 1.575p. Earnings are given as 3.88p (2.86p) per share.

Turnover came to £8.98m. (£6.37m.). After tax £114,850 (£77,999), net profit was £152,478 (£112,041).

# Talbex tops forecast

Compared with a forecast of not less than £0.3m., The Talbex Group reports a pre-tax profit of £361,132 for the year to July 31 1972. In February, reporting a first-half profit of £160,679, the directors said the forecast should be "comfortably exceeded."

Turnover was £4,635,548. Tax amounted to £176,395, leaving a net profit of £184,737. The company has issued no comparative figures because the previous accounting period—for which a loss of £78,472 was reported—was of 19 months.

A final dividend of 5.5 per cent. equal to 7.857 per cent. gross makes a total 12.857 per cent against nil—the final is subject to Treasury approval.

Talbex has interests in aerosols, soaps, detergents and hairdressing. Meeting, December 18.

BIDS AND DEALS

# Tricentrol buying Dutch builders merchant

Tricentrol has now issued de-[tai]ls of the acquisition of a Dutch [co]mpany, intimated yesterday.

The company is Oomens [...]heer, builders merchants.

Based on profit performance, [co]nsideration is to be not less [th]an £2.38m. and not more than [£2.]77m. Some £2m. will be pay[ab]le on completion and the [ba]lance on July 1, 1974 after the [au]dited accounts are available.

[N]et tangible assets of Oomens [at] Jun 30, 1973 were £1.18m. of [th]e total consideration, £2.38m. [wil]l be financed by the issue of [...]20,000 Tricentrol ordinary [sh]ares and any balance payable [...] to £0.39m. by cash from [me]dium term foreign currency [fac]ilities made available to Tri[cen]trol.

[G]uinness Mahon and Co. will [sub]scribe or procure subscribers [for] the Ordinary shares and pro[pos]es to place all or a substantial [par]t of the shares to which it [sub]scribes.

[I]t is estimated that for the year [197]3 Oomens profit before tax, [an]d exceptional and extraordin[ary] items, will not be less than [...]6,000.

[O]omens and its subsidiaries are [dis]tributors in the Netherlands [and] Belgium of heating and air [con]ditioning equipment and hold [fra]nchises for a number of im[por]tant European and North [Am]erican manufacturers.

## [T]RIUMPH STAKE [I]N SCOTIA

[T]he major shareholders in [Sco]tia Investments, following its [bid] for Combined Austin Samuel [Hol]dings and Gramgas, will be [...] Metropolitan Properties, [wit]h 25-30 per cent., and Triumph [Inv]estment Trust, with more than [...] per cent.

[T]he offer documents show that [...] holds 1,124,966 shares in [Sco]tia and 661,930 in Gramgas. [Tri]umph has 474,500 shares in [Sco]tia and 2,037,000 in Combined [Aus]tin.

[T]he offers are recommended by [Com]bined Austin and Gramgas [dire]ctors, who will accept in [resp]ect of their own holdings.

[F]ull acceptance will involve the [issu]e of 4,869,643 ordinary Scotia [shar]es. Acceptances close on [Nov]ember 26 for both the share [and] cash offers but the share [offe]rs can be extended to Decem[ber] 31.

## [C]OURT HOTELS

[C]ourt Hotels (London) and Toll[man] Hotels and Tourist Industries [ann]ounce that contracts have been [exch]anged in respect of the sale [of] Tollman's travel subsidiaries [Tr]algar Travel and Australian [Exp]ress Company Pty.

[C]ontracts are conditional [...]:—Acceptances being received [in r]espect of not less than 1,294,221 [shar]es of Court (being one share [...] 50 per cent. of the capital of [Cou]rt); the passing at an Extra[ord]inary Meeting of Tollman of a [res]olution approving the acquisi[tion] of the shares in Court and [the] sale of Trafalgar and Express; the passing at a special meet[ing] of Court of a Resolution [app]roving the acquisition of [Tra]falgar and Express.

## [T]KM DEAL

[...]zer Kemsley and Millbourn [(Hol]dings) announces that its [subs]idiary, TKM Investments, as [part] of a consortium, has acquired [80 p]er cent. of Societe France [Moteu]rs SA of Paris, distributors [of Ma]zda vehicles for France.

[The tra]nsaction involves the acquisi[tion] by the consortium of 80 per [cent.] of the equity of Societe [Franc]e motors for Frs.1.600m. [(appr]oximately £153,000). Partners in the consortium are: TKM Investments 40 per cent., Bruxelloise Dauto Transports SA 20 per cent., KAC Thorogood 10 per cent. and C. R. Kamp 10 per cent.

## CHARLES CLIFFORD & METAL PRODUCTS

Charles Clifford Industries has rejected the idea of bidding for Metal Products (Willenhall).

Charles Clifford said yesterday that since the notification in the directors' report of the substantial share interest of Metal Products it has been advised of a further acquisition of 40,790 ordinary shares by Metal. This will make the total holding 25 per cent. of the capital.

Following earlier discussions with Metal Products and taking into account all available information, Clifford has carefully considered the question of making an offer for Metal and has decided against this course of action.

## HESTAIR BUYS ERNEST WEBB

The acquisition of the capital of Ernest A. Webb, together with the freehold premises and 4½-acre site at Exning near Newmarket—for £370,000 cash, announced by Hestair the industrial investment group. Estimated net tangible assets of Webb at September 30, 1973 were £380,000 with pre-tax profits of £50,000 for the year. The site, with approximately three acres undeveloped, is valued at £300,000.

Webb manufactures agricultural equipment including seed drills complementary to those of the Hestair subsidiary, Stanhay (Ashford).

## GRUNDY BUYS JENNINGS

Grundy Equipment, major laboratory engineering concern and a member of the Grundy Group of Companies, has acquired H. G. Jenning Bros. (Haringey), heating and ventilating engineers and fabricators in plastic for laboratories and the chemical trade. Jennings will operate as an autonomous unit with factories in north London and Harlow—both companies anticipate the acquisition will result in improved

## SUTCLIFFE ENGRG.

Sutcliffe Engineering Holdings of Ossett, has acquired Niels Larsen and Son, gymnasium and sports hall equipment manufacturers of Leeds. This will enable the Sutcliffe to offer a comprehensive service in the fitting out of gymnasia for schools and sports hall.

## VINERS MOVES INTO EUROPE

Viners, the cutlery and tableware manufacturers, has agreed to acquire for Frs.4.7m. 80 per cent. of the capital of the leading French manufacturers of silver and silver plated tableware and giftware, the Societe Anonyme Orfevrerie Saint-Medard.

## ACE BELMONT

Caravan manufacturers Ace Belmont International has acquired Elddis Caravans (Consett), makers of a range of luxury tourers.

## THORNBERS COMPLETES

The necessary resolutions approving the sale of both Thornbers (Agriculture) and the equipment manufacturing business of Thornbers Holdings have been passed. Accordingly, both transactions became unconditional and have now been completed.

Pentos Assets has informed Thornbers that it has acquired a further 24,000 shares of 10p and its holding is now 417,054 (52 per cent.).

## BRINT SHARES CHANGE HANDS

Rothschild Investment Trust has agreed to purchase from British Bank of Commerce 3m. Ordinary shares in British and International Investment Trust, being approximately 13 per cent. of the capital. The shares have been bought at 35p per share, a total consideration of £1.05m., payable on February 6, 1975.

The shares are to be held as an investment by RIT, who will be entitled to nominate a director to the Board. British Bank will retain as an investment 3,430,400 BRINT Ordinary shares.

The RIT agreement is subject to a quotation being granted for the Ordinary shares of BRINT, which is an unquoted public investment holding company. It is intended to introduce the Ordinary shares to The Stock Exchange as soon as conveniently possible. The introduction will take place under the auspices of N. M. Rothschild and Sons and British Bank of Commerce. L. Messel and Co., London, and Stirling, Hendry and Co., Glasgow, will act as brokers.

## PORTER CHADBURN SHARE DEALS

Porter Chadburn state that 348,971 Ordinary shares have been transferred from T. Porter (Holdings) to Isle of Man-based Airlie Consultants, which is owned equally between Mr. T. Porter, the former chairman of Porter-Lancastrian and his wife Mrs. M. Porter.

In addition Airlie has bought a further 19,000 shares, making a total holding of 367,971 shares (11.4 per cent.).

Mr. T. Porter and Mrs. M. Porter also have personal holdings of 6,601 Ordinary and 27 Ordinary respectively. They each retain their 20 per cent. interest in T. Porter (Holdings) which now holds 100,193 Ordinary shares.

Dr. T. Porter and Mr. H. Porter, directors, each retain a 20 per cent. interest in T. Porter (Holdings) but have no holding in Airlie.

## INVESTMENT BANK OF IRELAND

J. Henry Schroder Wagg and Co. having indicated that it wished to dispose of its relatively small minority holding (20 per cent.) in the Investment Bank of Ireland, the Bank of Ireland and Morgan Grenfell and Co. have acquired the shares held by Schroder. As a consequence, the Investment Bank is now owned as to 75 per cent. by the Bank of Ireland and 25 per cent. by Morgan Grenfell.

## BURY & MASCO

The foreshadowed acquisition by Bury and Masco (Holdings) of the business and certain assets of Bacon Felt Company of Taunton, Massachusetts, for $1.31m. cash has been completed. Price compares with a net asset value of 1.33m. dollars, net profit in 1972 attributable to these assets was $210,000.

## BRADWALL DEALS

The sale of Permas Estate by Bradwall (FMS) Rubber has been completed and net proceeds of £2.1m. received. Subject to the various statutory consents being received the Board has offered to purchase Sagga Estate from Sagga Rubber for £754,000, and this offer has been accepted.

## D. DONCASTER EXPANSION

Daniel Doncaster and Sons has agreed in principle with John Folkes Hefo to acquire the ring and disc manufacturing business at the Netherton Works of Wright Hingley. Details are not yet finalised and a further statement will be made as soon as possible.

## LONSDALE UNIVERSAL

Lonsdale Universal has agreed to purchase the goodwill and undertaking of Henry White (Sutherland House), a department store in Newcastle-under-Lyme, for £15,000 in cash with stock at valuation.

White's net profit for the last financial year was £12,000.

The present store, held on lease, forms part of a proposed town centre scheme. If that scheme proceeds, Lonsdale has arranged to take a 20,000 square foot store in the new development, to which the present store will transfer.

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Goldheath is interested in 1,005,306 Ordinary shares in Tridant Group Printers (22.94 per cent.).

Hutchinson International has acquired a further 205,000 Ordinary (0.6 per cent.) in Minster Assets, increasing its holding at October 31 to 4,925,000 (14.43 per cent.).

Pentos Assets has acquired a further 24,000 Thornbers shares and its total holding is now 417,054 (about 52 per cent.).

Interests of Slater Walker Securities and its subsidiaries, together with investment trusts, etc., in Grimshawe Holdings at October 17 totalled 4,605,000 Ordinary (11.68 per cent.). Their interests in Alliance Alders Paper and Packaging at October 19 totalled 2,555,000 Ordinary (10.41 per cent.).

The SWS disclosures are not for the purposes of section 33 of the Companies Act, 1967.

Sterling Industrial Securities through S.I.S. Nominees now holds 740,000 shares (17.41 per cent.) in Brierleys Supermarkets.

# Boots halfway upsurge

SHARPLY INCREASED first-half profits (to September 30, 1973) from £22m. to £27.78m., before tax, are announced by The Boots Company, which earlier this week made an agreed offer worth £225m. for The House of Fraser. Profit for the year to March 31, 1973, was £56.73m.

Sales for the half-year increased by 20.7 per cent. to £198.11m. arising largely from continuing real increases in the volume of goods sold. A very small increase in price levels, below those which would have been permissible under the price code, was largely offset by the price-reduction effect of the change-over from purchase tax to value added tax, the latter being less per £1 of sales than was the purchase tax content in previous periods, the directors state.

The company has managed and will continue so to manage its affairs to benefit the consumer, to hold down prices properly and responsibly, and consequently to conform in every way with the price code, the directors add.

An interim dividend of 1.47p net per 25p share is declared. This is equal to 2.1p gross, compared with 2p—the 1972-73 gross total was 5.775p.

| | Six months 1973 | Six months 1972 | Year |
|---|---|---|---|
| | £000 | £000 | £000 |
| Net world sales* | 198,117 | 164,169 | 368,867 |
| Trading profit | 28,186 | 23,430 | 57,575 |
| Loan cap. interest | 409 | 424 | 850 |
| Profit before tax | 27,757 | 22,906 | 56,725 |
| Taxation | 14,239 | 9,346 | 22,814 |
| Minorities | 172 | 35 | 83 |
| Attributable | 13,346 | 12,625 | 33,828 |

* Including VAT/purchase tax £11.88m. (£11.34m. and £26.53m. for year).

Profits for the six months to September 30, 1972, have been revised to exclude a provision of £1.75m. towards an anticipated purchase tax loss on change-over to VAT which was rendered unnecessary by the Government decision to reimburse retailers fully for those losses.

Boots stated last night that its projected acquisition of House of Fraser would not involve any redundancies. And, in a letter to his shareholders, Boots chairman, Dr. Gordon Hobday, referred to the fear of a Monopolies Commission probe, declaring: "We believe that the merger is entirely in favour of the interests of the public as customers, employees or shareholders."

Dr. Hobday adds: In order to expand our retail base we believe that rather than venture alone into merchandise areas where we have no experience or reputation it would be preferable to merge with a retail company operating a first-class record and reputation.

See Lex

# A.W. sees at least £6.85m.

PROFITS UP from £4.98m. to not less than £6.85m. are forecast by the directors of A.W. (Securities) for the year to March 31, 1974.

In the first six months profits of the group (makers of printed axminster carpets, furnishing fabrics and vinyl-coated fabrics) have expanded from £1.58m. to £2.89m., on a turnover of £17.47m. against £11.58m.

The directors explain that the increases have come from higher sales and profits in the carpet and fabrics divisions. The improved net margin has been achieved through increased export sales and a substantial recovery in the fabrics division.

Group exports during the period were £2,835,250 against £2,754,555 for the whole of 1972-73.

They anticipate continued improvement in the second half-year. The fourth carpet printing machine is planned to come on stream before the end of the year—it is anticipated that the increased production will be readily sold both at home and abroad.

The interim dividend is 4.134 per cent. net—equal to 5.906 per cent. gross (5.625 per cent.). The 1972-73 total was 19.55 per cent.

Providing for taxation of £1,462 (£640,000), the first-half net profit available is £1,433,000 (£944,000).

See Lex

# Arthur Lee reorganises

Due to the increasing diversity in the activities of the Lee Steel Group, Sheffield-based Arthur Lee and Sons, is to split its group operations into three divisions—strip and wire, stockholding and rope—to operate from November 12, 1973.

The recently formed company Lee Bright Bars, which has brought together the bright bar interests of Arthur Lee and the BSC, will function under the direction of its own Board whilst being closely allied to other group operations.

## RESULTS AND ACCOUNTS IN BRIEF

**MAXIM'S**—Turnover six months to June 30, 1973 £553,859 (£483,699). Profit £19,000 (£24,850) less tax £9,500 (£12,425), leaving £9,500 (£12,425). Increase in turnover is not as a result of increased business but of inflation. In addition the company has borne a substantial increase in staff and overhead costs. Currently the level of business has reached that of last year after a disappointing summer period.

**SELUKWE GOLD MINING AND FINANCE**—Gross income £49,760 (£52,598) for year to March 31, 1973. Profit after tax £23,274 (£31,590). Dividend 7 per cent. net equal to 10 per cent. gross (same).

**BEN WILLIAMS AND CO.** (wholesale clothing manufacturer)—Interim 0.25p net per 10p share—equal to 0.357 gross (0.5p—total 1.57143p). Pre-tax profit, six months to June 30, 1973, £7,723 (£38,181).

**NEW THROGMORTON TRUST**—Under the formula applicable from April 1973 onwards, the net asset value of the Capital Loan stock at November 6, is 254p. Securities valued at middle market price.

**LEVERS OPTICAL COMPANY**—No dividend (6.3 per cent.). Turnover £405,008 (£342,876) for half-year to June 30, 1973. Profit after tax £10,220 (£6,149). Tax £9,240 (£4,891). Earnings per 25p share 2.3p (1.2p).

**ELSWICK-HOPPER** (makers of bicycles and other engineering components)—Interim 3.675 per cent. net—equal to 5.25 per cent. gross (5 per cent.). Total year ended January 31, 1973, was 10 per cent. Group turnover six months ended July 31, 1973, £632,000 (£476,000). Profit £61,000 (£41,000) before tax £15,000 (£13,000). Attributable profit £46,000 (£29,000) and earnings 0.73p (0.58p) per 5p share. All divisions of the group have made increased contributions and the directors confidently expect the full year's profit to exceed the £107,000 pre-tax achieved in 1972-73.

**WESTERN DOOARS TEA HOLDINGS**—Dividend 1.75 per cent. net equal to 2.5 per cent. gross for 1973 (4 per cent.). Pre-tax loss £23,409 (profit £81,732). Loss after tax £85,642 (profit £31,709).

**DHAMAI HOLDINGS** (tea planters)—Results, year to December 31, 1972, reported October 22. Fixed assets £421,238 (£462,432). Investments £107,841 (£136,249). Quoted valuation £283,222 (£276,899). Current assets £173,455 (£121,699). Net current liabilities £30,262 (£6,891). Board anxiously considering future, and examining various solutions to problems. Aim is to do best in interests of shareholders while at same time trying to preserve livelihood of work force and dependents. Whatever ultimate fate of operating company, liabilities have not been guaranteed by parent. Accordingly, even if operating company became worth less, value of shares in Dhamai Holdings would be sustained to a considerable extent by value of assets outwith Bangladesh held through Sonarupa Investments worth about £230,000. Meeting, Edinburgh, November 30, 3 p.m.

**PROGRESSIVE SECURITIES INVESTMENT TRUST**—Interim dividend 1.25p net, equal to 1.785p gross to reduce disparity (1.25p—total 3.46429p). Gross revenue, half-year to September 30, 1973, was £61,187 (£51,385). Administration £4,458 (£4,064). Financial charges £16,877 (£9,509). Revenue £39,857 (£38,012). Taxation £17,038 (£14,853). Leaving £22,819 (£23,159). Interim dividend £14,617 (£8,585). Forward £149,411 (£157,977). Market value of investments at September 30, £2,288,853 (£2,598,590). Net current assets £34,915 (£29,225). During half-year, dollar loan of $U.S.1m. has been repaid. Assets value applicable to Ordinary 25p shares was equivalent to 185p (202p).

**NEWMAN-TONKS** (Manufacturer of architectural and builders' hardware, etc.)—Results, year ended July 31, 1973, reported October 26, with scrip proposal. Group fixed assets £2,422,721 (£2,160,169). Net current assets £2,905,630 (£2,773,686). Chairman looks forward with confidence in policies formulated. Mr. H. C. Shead to retire as chairman at meeting. Mr. M. Wright nominated as successor. Meeting, Birmingham, November 29 starting at noon.

**F. COPSON** (builders' and plumbers' merchants)—Results, year ended April 30, 1973, reported November 2 with two-for-one scrip issue proposal. Group fixed assets £299,166 (£195,545). Net current assets £99,812 (£64,508). Maintained profits forecast for current year. Meeting, Walmley (Sutton Coldfield), November [...]

**ASSAM CONSOLIDATED TEA ESTATES**—Dividend 5.6 per cent. net equal to 8 per cent. gross (6 per cent.) for 1972. Treasury has indicated that consent will be forthcoming for increase. Group turnover £745,492 (£887,663). Pre-tax profit £60,284 (£22,134) after crediting overspill relief £2,379 (£2,477). To tax £25,900 (£11,250). Preference dividend £14,800 (£16,000). Earnings £19,564 (loss £5,116). Earnings per 25p Ordinary stock unit 1.63p (loss 0.43p).

**BAZALONI HOLDINGS** (Tea Producers)—Dividend 8.75 per cent. net equal to 12.5 per cent gross (same). For 1972 Group pre-tax profit £67,143 (£113,876). Tax £37,474 (£61,904), leaving £29,669 (£51,972).

**FOURTH CITY AND COMMERCIAL INVESTMENT TRUST** — Dividend 2.5725p net, making equivalent to 3.6750p gross (3.3p). Income £36,248 (£24,366) for year to June 30, 1973. Profit after tax £33,652 (£22,039). Tax £311 (nil). Earnings per 10p share 6.01p (4.08p).

**MAJEDIE INVESTMENT**—Final dividend 0.964688p net, equal to 1.378125p gross, for year to September 30, 1973 (total 1.97p for 18 months). Group profit after tax £129,334 (£160,733 for 18 months). Surplus on sales of investments after tax £25,382 (£83,901), making £154,716 (£244,654). Dividends £154,716 (£244,654). Quoted investments valued £4,322,752 (£2,353,739). Value unquoted cost £16,702 (same). Net asset 64.57p per 5p share (35.6p). Board of The Sagga Rubber Company (wholly-owned subsidiary) have accepted an offer to purchase Sagga Estate for the sum of £754,000. Subject to necessary statutory consents being obtained and consideration is payable in sterling in London. Settlement date has been arranged at December 31, 1973. Meeting, December 11, at 3.15 p.m.

**W. J. PYKE (HOLDINGS)** (butchers)—Dividend 0.875p net—1.25p gross (same) year to June 30, 1973. Turnover £3,382,384 (£1,974,935). Profit £48,740 (£14,803) after tax £16,979 (£9,952). Earnings per 10p share 8.59p (3.24p).

**MIDHURST WHITE HOLDINGS** (Brick and agricultural lime manufacturers)—Interim dividend of 9.8 per cent. or 14 per cent. gross already declared (equivalent 11.66 per cent.). No further dividend this year. Turnover for year to March 31, 1973, was £381,686 (£314,465), profit £84,527 (£46,465), taxation £25,318 (£19,632), leaving £59,209 (£26,831). Interim dividend £11,780 (£16,800). Forward £113,113 (£84,664). Earnings per 10p share 3.3p (2.4p). Report and accounts will be posted November 28 and meeting will be held at Dukes Hotel, London, S.W. on December 19, 1973, at 12 noon.

**BRYANT HOLDINGS** (property developers, etc.)—Results, year to May 31 1973, and scrip issue proposal reported October 23 with observations on prospects. Group fixed assets £1.33m (£1.45m.). Net current assets £7.13m (£3.9m.). Meeting, Birmingham, December 5, noon.

## INTERIM STATEMENT

# EVEREADY SOUTH AFRICA LIMITED

(Incorporated in the Republic of South Africa)

INTERIM STATEMENT OF PROFITS

The Directors announce the following unaudited results for the six months ended 31 August 1973:

| | Six Months Ended 31.8.1973 | Six Months Ended 31.8.1972 | Year Ended 28.2.1973 |
|---|---|---|---|
| Net Profit before taxation | R1 660 397 | R1 176 825 | R2 637 643 |
| Taxation | 680 761 | 468 847 | 1 050 801 |
| Net Profit after taxation | R 979 636 | R 707 978 | R1 586 842 |

The issued share capital of the Company was increased in August 1973 by a Capitalisation Issue of two shares for each share held and it is proposed to declare an interim dividend of 2.5 cents per share (1972 equivalent - 2 cents) during December 1973, payable on 8 February 1974 to shareholders registered in the books of the Company as at close of business on 4 January 1974.

By Order of the Board,
P. J. Hopper,
Secretary.

EVEREADY ROAD,
(P.O. BOX 3191),
PORT ELIZABETH.
2 NOVEMBER 1973.

## RECENT ISSUES

### EQUITIES

| Amount Paid Up | Latest Renunc. Date | 1973 High | 1973 Low | Stock | Closing Price p | + or − | Div. % or Amount | Times Covered | Gross Yield | P/E Ratio |
|---|---|---|---|---|---|---|---|---|---|---|
| F.P. | — | 47½ | 45¼ | Archimedes Inv. Inc. | 45¼ | −¼ | Q18 | — | 9.9 | — |
| F.P. | — | 67 | 65½ | Do. Cap 50p | 65½ | — | — | — | — | — |
| F.P. | — | 67 | 62 | Austin (James) Steel | 63 | — | b14 | 2.4 | 7.9 | 7.6 |
| F.P. | — | 140 | 110 | BG Securities (50c) | 115 | — | c13 | 1.6 | 6.9 | 9.3 |
| F.P. | — | £24⅞ | £21⅝ | BnkAm'ricaCrp$3.125 | £24¼ | — | $1.14 | — | 1.6 | — |
| F.P. | — | £19¾ | £14⅝ | Bell & Howell | £15½ | +⅞ | 84c | — | 2.2 | — |
| F.P. | — | £26 | £23½ | ClefrancesPetroles'B' | £24⅝ | +⅝ | 12 Fr | 2.5 | 4.8 | 18.6 |
| F.P. | — | £19⅝ | £15⅞ | ColumbiaB'gSys$2.50 | £15⅞ | −⅜ | $1.40 | — | 3.8 | — |
| F.P. | — | £21 | £20½ | C'p'n'hnHa'd'b'k'B'-B | £20½ | — | s11 | 3.0 | 3.9 | 8.4 |
| F.P. | — | £23 | £22⅞ | Distill'rsCrpSgrm.C$1 | £22⅞ | −⅛ | $1.20 | — | 2.2 | — |
| F.P. | — | £21⅝ | £21⅝ | Dover Corp. US$1 | £21⅝ | — | $1.04 | 1.9 | — | — |
| F.P. | — | £34⅞ | £32 | General Elect. Co. | £32½ | +½ | $1.88 | — | 2.0 | — |
| F.P. | — | £19¼ | £17⅝ | Guard. Mort. Invs. II. | £17⅞ | −⅞ | $4.08 | — | 10.1 | — |
| F.P. | — | 60 | 37 | Hanover Grand (5p) | 47 | — | 19.9 | 2.0 | 3.0 | 24.1 |
| F.P. | 18/6 | 157 | 127 | Nth. Brit. Prop. (Cap) | 137 | +5 | — | — | — | — |
| F.P. | — | 95 | 88 | Ovenstone Inv. (12½c) | 90 | — | b10c | 2.2 | 6.8 | 6.7 |
| F.P. | 26/10 | 163 | 148 | PrinceofWales(S'port) | 148 | −2 | b9.5 | 3.1 | 2.3 | 19.3 |
| F.P. | — | 240 | 218 | RTZ (Accum) | 220 | +2 | — | — | — | — |
| F.P. | — | 118 | 115 | Rapp & Maister (5c) | 118 | — | Qb15 | 1.5 | 3.9 | 17.2 |
| F.P. | — | £17¾ | £16½ | Richardson, Merrell | £16½xn | — | $1.05 | — | 2.7 | — |
| F.P. | — | £23 | £21¼ | St-Gobain Pm. (Fr. 75) | £21¼ | −½ | Q9½ | 3.3 | 0.4 | 72.3 |
| F.P. | — | 840 | 810 | Saul (BF) Inv. Tst. $10 | 835 | — | — | — | — | — |
| F.P. | — | 21 | 20 | Totalizator & Grey.5p | 20½ | — | Q14 | 2.3 | 3.4 | 18.3 |
| Nil | 22/11 | 73 | 20 | Town&City war.formrd | 70 | — | — | — | — | — |
| F.P. | — | 21¾ | 21¾ | Warner-Lambert US$1 | 21¾ | — | $1.44 | 2.7 | — | — |

### FIXED INTEREST STOCKS

| Paid Up | Latest Renunc. Date | 1973 High | 1973 Low | Stock | Closing Price | + or − |
|---|---|---|---|---|---|---|
| F.P. | — | 93 | 88 | Bristol Street 10½% Cnv. Uns. 93/98 | 90 | +1 |
| F.P. | — | 101 | 92 | Brit. Dredging 8% Cnv. Uns. 93/98 | 100 | −1 |
| F.P. | — | 96 | 94½ | Brit. Match 10% Cnv. '93/98 | 96 | +1½ |
| F.P. | — | 98½ | 98½ | Cap & Cnts 9% $ Bds. Gnar. 1988 | 98½ | — |
| F.P. | — | 100½ | 100 | Dundee Corp. (City of) 9½% Bds. 1983 | 105½ | — |
| F.P. | — | 101 | 100½ | Edin. Corp. 9% $ Bds. 1981 | 101 | — |
| F.P. | — | [illegible] | [illegible] | General Elect. 5½% Stnd. & Cnv. 86/93 | 103 | +1 |
| F.P. | — | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| F.P. | 24/5 | [illegible] | [illegible] | Greendon Trust 11% Uns. 79/81 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Inchape 13% Uns. Ln. 93/98 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Lanes. C.C. 9½% Bds. 78 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Maghatin (Poly) 8½% Cnv. Uns. 88/93 | [illegible] | [illegible] |
| F.P. | 1/12 | [illegible] | [illegible] | Mar. Estates 8½% Bds. | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Nat. Coal Board 8% Gtd. Bds. 1983 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Reed Intl. 10% Uns. 2004/9 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Rolls-Royce Motors 8% Cnv. Cns. Ln. 87/2003 | [illegible] | [illegible] |
| F.P. | — | [illegible] | [illegible] | Sunderland (S.B.) 8½% Bds. 1983 | [illegible] | [illegible] |
| F.P. | 22/11 | 128 | 100½ | Tower Assets 10% Conv. Loan 1983 | 127 | [illegible] |

### "RIGHTS" OFFERS

| Issue Price p | Amount Paid up | Latest Renunc. Date | 1973 High | 1973 Low | Stock | Closing Price p | + or − |
|---|---|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | Comm. Bk. of Sydney | 48 | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | Peak-Inve... | 11 | [illegible] |
| [illegible] | [illegible] | 6/12 | 8/12 | [illegible] | Robinson (G.A.) | 141 | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | Woolside-Burmah | 11pm | [illegible] |

[...]ciation date usually last day for dealing free of stamp duty. a Placing [...] table. b Figures based on prospectus estimate. d Dividend rate paid or [...] on capital; cover based on dividend on full capital. e Assumed dividend [...] yield. [illegible]

## INTERIM STATEMENTS

# BEECHAM GROUP LIMITED

## Interim Statement of Trading Results 1973/74
## Half-year ended 30th September, 1973

The directors of Beecham Group Limited announce that the unaudited trading results for the half-year ended 30th September, 1973, are as follows:—

| | Half-years ended 30th September 1973 | Half-years ended 30th September 1972 | Year ended 31st March 1973 |
|---|---|---|---|
| | £000 | £000 | £000 |
| Group sales | 152,570 | 119,906 | 259,340 |
| Group trading profit | 27,491 | 21,659 | 48,502 |
| Interest on loan capital and bridging loans | 2,505 | 2,196 | 4,653 |
| Group profit before taxation | 24,986 | 19,463 | 43,849 |
| Taxation | 11,618 | 8,500 | 18,659 |
| Group profit after taxation | 13,368 | 10,963 | 25,190 |
| Minority interests | 165 | 106 | 296 |
| Group profit before transitional ACT relief | 13,203 | 10,857 | 24,894 |
| Transitional ACT relief | — | — | 1,229 |
| Group profit available for dividends and retentions | 13,203 | 10,857 | 26,123 |
| Earnings per ordinary share (see note 3 below) | 9.37p | 6.91p | 15.91p |

**INTERIM DIVIDEND**

The directors have today declared an interim dividend of 2.275p per ordinary share—£3,206,900—which, together with its associated tax credit, is equivalent to a gross dividend of 13% and compares with the gross interim dividend of 12% paid for last year.

Under existing law, the payment of an interim dividend for 1973/74 of 13% will limit the amount which can be paid as a final dividend to a gross equivalent of 14.56% compared with a final dividend of 14.25% paid for 1972/73.

The 1973/74 interim dividend will be paid on 1st February, 1974 to all shareholders on the register at the close of business on 19th December, 1973, except in respect of ordinary shares allotted to holders of Beecham International Holdings S.A. 5½% guaranteed convertible debentures tendered for conversion after 7th November, 1973.

**Notes**

(1) **Foreign currencies**
Sales and profits of overseas subsidiary companies for the half-year ended 30th September, 1973, have been converted into sterling at the rates of exchange ruling at 31st March, 1973.

(2). **Taxation**
It has been assumed that the rate of U.K. Corporation Tax applicable to the 1973/74 profits will be 50% (1972/73—40%).

(3) **Earnings per ordinary share**
As a result of the introduction of an imputation tax system in the U.K., the earnings per share for the half-year ended 30th September, 1973, are not comparable with those published on previous occasions. The earnings per share shown in this statement for the half-year ended 30th September, 1972, and for the year ended 31st March, 1973 have been adjusted from the figures previously published to be comparable with the figure for the half-year ended 30th September, 1973.

8th November, 1973

# Eva Industries LIMITED

**Interim Results** for the six months ended 29th September, 1973

| | Six months to 29th September, 1973 £000's (unaudited) | Six months to 30th September, 1972 £000's (unaudited) |
|---|---|---|
| **Consolidated Turnover** | 3,751 | 3,090 |
| **Consolidated Pre-tax Profit** | 407 | 291 |
| **Profit attributable to Shareholders of Eva Industries** | 259 | 173 |
| First Interim Dividend paid 31st October, 1973 | | |
| Net rate | 3.5% | — |
| Gross equivalent | 5% | 5% |
| The Directors have declared a Second Interim Dividend payable 6th April, 1974 | | |
| Net rate | 3.5% | 3.5% |
| Gross equivalent | 5% | 5% |

*Chairman, Mr. T. R. Astley, reports:*

The interim results show an encouraging increase of 40% in the consolidated profit before tax compared with the corresponding period for the previous year. It must be appreciated that the 1972 figures included profits of our subsidiary company in Uganda amounting to £73,000, and in measuring the performance of the Group as currently constituted, it is necessary to compare our current results with the 1972 profits ex Uganda. This comparison, excluding dividends from Brazil, shows an increase in profits of 81%.

Excluding Uganda, turnover as a whole has increased by some 33.5%.

Home sales of all companies showed a substantial increase and this has had a healthy effect on profits in this country.

We are not yet achieving our full volume capability in many areas and further potential deriving from recent capital expenditure has still to be realised.

The Eva Group is growing in strength and the quality of its earnings has significantly improved.

**Brazil:** It should be pointed out Eva does not consolidate the results of its Brazilian subsidiary and includes in consolidated profit only dividends received. In the first six months ended 29th September 1973 the full annual dividend was received amounting to £62,000, but in 1972 only £28,000 of the total dividend of £54,600 fell into the first half-year.

| | Six months to 29th Sept. 1973 £000's (unaudited) | Six months to 30th Sept. 1972 £000's (unaudited) |
|---|---|---|
| Turnover | 1,244 | 1,050 |
| Profit before Taxation | 165 | 187 |
| Profit attributable to Shareholders of Eva Industries | 103 | 120 |
| Dividends received | 62 | 28 |
| Rate of Conversion | 14.89 Crs.$ to £ | 14.?? Crs.$ to £ |

# INTERNATIONAL COMPANY NEWS + EURO MARKETS

## Ruhrkohle presses on with pit closures

By Malcolm Rutherford

BONN, Nov. 8.

RUHRKOHLE, THE body which groups the bulk of the Ruhr coal mines, is to go ahead with the closing of four more pits by the end of 1976 despite the current uncertainties over energy supplies created by the Middle East crisis. The pits concerned have a joint output of 5m. tons a year and employ around 10,000 workers.

The decision was approved by the management and supervisory boards to-day. A company statement said it was in line with the Government's energy policy of cutting West German coal production from 102.5m. tons last year to around 83m. tons in 1978. Herr Hans Friderichs, the Economics Minister, has already stated there is no need for the policy to be changed in any important respects because of Middle East developments.

Ruhrkohle's own production was 77.5m. tons last year after 84.7m. tons in 1970. The policy of closure has been going on since the company was formed in 1969. In this case, all four pits to be closed belong to Bergbau Dortmund, now 100 per cent. owned by Ruhrkohle. The first of them will be closed at the end of next year, two more in 1975 and one in 1976.

## Amoco raises further $70m.

By Mary Campbell

STANDARD OIL (Indiana)—Amoco—is to borrow a further $70m. on the Eurobond market.

It is issuing $35m. worth of notes due 1980 and a further $35m. worth of bonds due 1988. The indicated coupons on the issues, both of which are being managed by Morgan et Cie, are 8¼ per cent. for the notes and 8¾ per cent. for the bonds.

The next issue on the Swiss franc market has also been announced. It will be an SwFrs80m. 15 year issue for Merck-Finanz of Luxembourg (whose parent company is E. Merck of Darmstadt in West Germany). The coupon will be at the usual present level for Swiss franc issues—6½ per cent.

● Gulf and Western Industries reports a rise in earnings for the year to July to $4.60 per share or net of $89.2m. from $3.30 per share or net of $69.4m. Revenues totalled $1,930m. ($1,670m.).

## Snia Viscosa is to expand after spurt in profits

BY ANTHONY ROBINSON

ROME, Nov. 8.

THE SYNTHETIC fibre producer Snia Viscosa has announced plans for a major financial expansion in view of its improved profitability and future development plans.

Against the background of a 27.8 per cent. increase in turnover of the first nine months of this year the company reports a considerable improvement in profitability. Last year the Snia group lost L14,800m. on a turnover of L254,000m.

The company's financial plans have been worked out in close co-operation with Mediobanca, the State-controlled special credit institute and merchant bank. They start from the basis that Snia will need L250,000m. to finance its expansion plans in the 1974/78 period.

In order to provide an adequate capital base for this expansion Snia will raise its capital by L53,423m. from the present L64,108m. to L117,531m.

The operation will take place in the following way. Mediobanca will offer nominal 1,000 Lire 7 per cent. convertible bonds at par to holders of Snia preference, ordinary and privileged shares. These bonds will then be convertible into Snia ordinary shares of nominal L1,200 each from December 1976 to 1988. The exchange will be on the basis of six 1,000 Lire bonds for every five Snia shares of nominal L1,200 each. The market price of Snia ordinary shares on the Milan bourse to-day was L2,768.

In the meantime Mediobanca will provide Snia with the L53,423m. made available by the convertible bond issue in the form of a 15 year loan which will be extinguishable pari passu with the conversion of the bonds.

## Moulinex proposes a ten-for-one stock split

BY RUPERT CORNWELL

PARIS, Nov. 8.

THE DOMESTIC appliances group Moulinex, one of the Paris Bourse's few "glamour" stocks, has become the first French company to take advantage of the recent Finance Ministry edict authorising companies to reduce the minimum nominal value of a share quoted to Frs.10 from Frs.100.

The Moulinex Board is proposing to carry out a 10-for-one stock split, that would cut the value of the shares to Frs.10. It would thus have the highly desirable result of cutting the unitary market price of a share to Frs.575 from the present astronomical Frs.5,750—or £550.

At these levels Moulinex, one of the most attractive stocks on the market in terms of performance and yield, has been out of the reach of investment clubs, let alone the small investor that the recent sprucing up of the Bourse has been designed to attract.

The Ministry statement, in fact, underlined this as a main reason for the move, which will almost certainly be followed by other high performance companies with "heavy" shares, such as Carrefour, the supermarkets group, whose stock now changes hands for around Frs.3,000 (£300).

## Massey Ferguson doubles output

MASSEY-FERGUSON Industries to-day announced plans for a $C20m. expansion of its Canadian manufacturing facilities. President W. K. Mountfield said the expansion will "help us meet the unprecedented demand for our products."

He added that orders for farm machinery are at record high levels.

The company will soon begin construction in Brantford of an extension to its foundry, a new machine shop and a new assembly plant for large implements. Completion of the new facilities is scheduled for late 1974.

"We will double our capacity to produce large implements," said Mr. Mounfield, "and it will also give us about 15 per cent. more capacity for self-propelled combines. In addition, the new facilities will allow MF to increase production of large tractors by 20 per cent."

## Rheinstahl bid was fair, finds inquiry

By Malcolm Rutherford

BONN, Nov. 8.

THE inquiry commission of the Dusseldorf Stock Exchange has found that there was no misuse of insider information during the Thyssen bid for the Rheinstahl engineering concern early this year. The Commission reported to-day that investigations into the behaviour of 160 individuals and the banks involved in the deal showed no evidence of impropriety. It also found that neither Thyssen nor Rheinstahl had been buying or selling Rheinstahl shares.

Thyssen's successful takeover was one of the most controversial as well as one of the biggest in West German history. It was preceded by widespread rumours that Thyssen was bidding and to considerable speculation in the Rheinstahl shares. These rose from around DM80 late last year to over DM100, and then on a single day in February—before dealings were suspended—from DM106 to over DM120.

### Cartel ruling

Thyssen then declared it was seeking a majority holding through a banking consortium. The consortium made an offer to buy at DM125 over a three week period. In fact, it acquired a stake of over 60 per cent. on Thyssen's behalf.

Following the results of the Stock Exchange inquiry, the position now is that Thyssen is awaiting the judgment of the Brussels Commission on the merger and of the West German Cartel authority. The company said to-day that Thyssen was still optimistic about the results, but had no idea when they would come.

In terms of turnover the merger created the second largest West German company after Volkswagen.

### Ship order

GENERAL DYNAMICS CORPORATION has received a $380m. order for four liquified natural gas tankers, which will be built at its Quincy, Massachusetts, shipyard. The company said this is the largest single order ever placed with AUS shipyard.

The ships will be chartered to Energy Transport Corporation, a newly formed U.S. company, and will be used to transport LNG under a contract between Burmah Oil Company and the Indonesian State Oil Company.

BANKING

## A very soft sell—to music

BY JONATHAN CARR

THE CARPET is soft, the lighting subdued, the recorded background music restrained. Modern paintings hang on the wall and large pots of flowers and plants are set next to comfortable chairs.

It might be the entrance to a well-appointed modern club. It is, in fact, the interior of a new bank which opened its doors in Dusseldorf this week.

There are hundreds of banks in West Germany and one more would normally stimulate little interest. But in this case the new bank—Familienbank—represents the start of a big effort by Chase Manhatten to capture a substantial slice of the domestic German consumer - banking business. The Duesseldorf branch is the first of a network which will eventually extend to most major German cities.

The planning for Familienbank—a wholly-owned Chase subsidiary initially capitalised at DM5m.—has been under way for several years.

Earlier this year First National City Bank acquired a 30 per cent. stake in the large West German consumer finance company Kunden Kreditbank. Now Chase has moved in with Familienbank which, as the name implies, is aimed directly at the individual German citizen and his family. It will not engage in any corporate banking transactions.

Until about a decade ago the ordinary West German might have been justified in believing that the major banks existed either for industry, or for very wealthy individuals. Little by little this attitude changed—not least through the creation of wage and salary accounts in the 1960's as fewer people were paid for their work in cash.

The banks, which were having to compete with the local savings banks—the Sparkasse—as well as one another, at first did not charge customers for their salary accounts. But the battle for individual accounts meant an increase in the number of local branches, an extension of the services offered, and higher personnel costs. At the same time the public response was greater than expected, putting a strain on the new facilities which was sometimes reflected in the quality of service.

It was argued by the banks that they were not covering their costs and account charges were finally introduced. Customers still felt dissatisfied with the service they received, for it was said despite their competition for individual accounts, the banks managed to convey the impression that their greatest interest lay elsewhere.

The philosophy behind Familienbank is to give the customer personal and specialised service in an atmosphere as far removed as possible from that of the traditonal bank. The usual long counter has disappeared—to be replaced by four or five semi-circular white desks with places beside each for two customers and one official, described as a "personal counsellor."

"There is no place at Familienbank for the ordinary banking official type," say spokesmen rather grandly. "We will have a maximum of eight personnel per branch, if we get more business than the branch can handl[e] we will create another on[e in] the same city. Whatever hap[pens] the customer must feel [at] home." All branches are to sta[y] open until 6.30 p.m.—giving customers plenty of time for [a] visit after work. Banks normall[y] shut at 4 p.m. with one evenin[g] opening a week.

**German customers have traditionally complained that they rank a long way behind corporate clients and interests in the order of service of the big banks. Recently Citibank acquired 30 per cent. of a consumer finance company aimed at servicing individual accounts and now Chase Manhattan has opened the first of a chain of German subsidiaries geared to personal service.**

The bank's service include[s] th[e] usual cheque facilities, over[drafts], drafts, instalment credit loan[s], payment of standing orders, an[d] the like. A noteworthy featur[e] is that the bank offers saving[s] account facilities where th[e] interest rate is pegged, not [to] the length of time the money i[s] deposited but to the existin[g] capital market rate minus on[e] fifth. At present this gives savings interest rate of about 7 per cent., a rate which will alte[r] as the capital market rat[e] changes. Likewise, the bank credit interest rate is pegged [to] the capital market rate plus pe[r]centage costs—giving a borro[w]ing rate at present of some per cent.

The company declines to sa[y] how business has been—fair[ly] pointing out that it is very ear[ly] days yet. The next step will [be] the opening of a branch [in] Frankfurt in February—wi[th] further branches to come [in] Munich, Stuttgart and Hambu[rg] before the end of 1974.

Present plans envisage [the] opening of about 15 branch[es] annually which makes it appe[ar] that if Chase's hunch prov[es] correct, Familienbank will be [a] force to reckon with in a fe[w] years time.

## Piper bid expected for wine-grower

BY GILES MERRITT

PARIS, Nov. 8.

PIPER-HEIDSIECK, France's third largest champagne producing concern, is reported here to be bidding for one of the country's leading wine growers. Called Salins du Midi, because of its original activity as a salt producer in the south of France, the company to-day owns a massive 1,400 hectares of vineyards in the Roussillon area south west of Marseille. In addition, it owns a total of 37,000 hectares (or over 80,000 acres) of prime Mediterranean coastline which clearly have a huge potential development value.

Piper-Heidsieck, which ranks immediately after Moet-Hennessy and Mumm in the champagne industry, is reported by the leading Paris financial newspaper Les Echos to have been steadily buying up Salins du Midi stock on the Paris Bourse.

Yesterday Salins' shares rose sharply in value from Frs.317 the day before to Frs.330. The company is one of the relatively few major French concerns to be largely owned by the public. The only sizeable minority shareholders are Suez, the banking and financial holdings group, which holds 10 per cent. through its Banque de l'Indochine, Pechiney-Ugine-Kuhlmann, the giant metals group, which has 20 per cent., and the Caisse des Dépots et Consignations with 5 per cent.

What is still not clear is whether any of these shareholders, Suez especially, will decide to contest the Piper Heidsieck bid and so treat the French business world to the comparatively rare spectacle of a Bourse battle for the support of private shareholders.

## Grumman swings back into the black

BY OUR NEW YORK STAFF

NEW YORK, Nov. 8.

THE GRUMMAN Corporation, the major supplier of military aircraft to the U.S. Navy has reported earnings of $4.6m. or 67 cents a share in the third quarter, against a loss of $4.3m. for the same period last year.

In 1972 Grumman wyas $70m. in the red over the year—the largest loss in its history, but its ability to overcome both financial and political difficulties on its F-14 swing-wing fighter has pushed the company back into profit and led it to forecast earnings of $4 a share for this year.

Revenues in the third quarter were up 83.2 per cent. to $728.4m., a rise of 53 per cent. during the nine months. In addition the company's commercial sales and earnings before extraordinary items were up 50 per cent. from last year's nine month period and accounted for 36 per cent. of the consolidated total revenues.

After the company's recently renegotiated navy contract for the F-14, which carries the expensive air-to-air Phoenix missile system, the Navy agreed to order 50 more planes and did not hold the company to its previous contract estimates. Cost overruns for the first 134 units built for the Navy brought total expenses to $3,500m. or $26m. per aircraft.

Earnings for the nine months were $20.6m. or $3.03 per share, an increase over the $1.3m. or 20 cents per share reported for the same period last year. The nine months figure includes an additional $15m. write-off on the first five lots of F-145 delivered to the Navy.

## Kaufhof pessimistic

BY ANDREW HARGRAVE

FRANKFURT, Nov. 8.

IN SPITE OF a 6 per cent. rise in sales in the first nine months of this year, the large West German store group Kaufhof expects results inferior to last year's which themselves were below those of 1971.

The group's interim report points out that personnel costs alone increased by 12.7 per cent. in the period. To these must be added the running-in costs of nine new stores. The report says the additional burden could not entirely be absorbed even with favourable Christmas sales.

Sales totalled DM3.767m. in the nine months (DM3,547m. in the same period last year) of which DM811m. fell to the group's Kaufhalle subsidiary.

Kaufhof paid a 20 per cent. dividend out of profits of DM88.1m. last year

## SELECTED EURODOLLAR BOND PRICES
### MID-DAY INDICATIONS

| STRAIGHTS | Bid | Offer | CONVERTIBLES | Bid | Offer |
|---|---|---|---|---|---|
| Anglo American 7½pc 1987 | 90 | 91 | American Express 4¼pc '87 | 107½ | 109 |
| Ashland 8pc 1987 | 97 | 98 | American Motors 6pc 1992 | 118 | 120 |
| Bluebell 7¾pc 1987 | 90¾ | 91¾ | Amoco 5¼pc 1984 | 123 | 124½ |
| British Land 8pc 1987 | 93 | 94 | Beatrice Foods 4½pc 1992 | 94½ | 96 |
| Cadby. Schweppes 7½pc '90 | 94 | 95 | Beatrice Foods 4½pc 1992 | 100½ | 102 |
| Carrier 8pc 1987 | 97¾ | 98¾ | Borden 5pc 1992 | 89½ | 91 |
| Consol. Foods 7¾pc 1991 | 92½ | 93½ | Broadway Hale 4¾pc 1987 | 80½ | 82 |
| Cutler Hammer 8pc 1987 | 97 | 98 | Carnation 4pc 1987 | 86½ | 88 |
| Denmark 7¾pc 1990 | 91 | 92 | Chevron 5pc 1988 | 106 | 108 |
| Fisons 8½pc 1987 | 98 | 99 | Dart 4¾pc 1987 | 105 | 106½ |
| General Cable 8½pc 1987 | 98½ | 99½ | Economic Labs. 4¾pc 1987 | 107 | 109½ |
| Grand Metrop. 7½pc 1987 | 89 | 90 | Ford 6pc 1986 | 94 | 95½ |
| Guardian RE 8pc 1987 | 95½ | 96½ | Ford 5pc 1988 | 80½ | 82 |
| Gutehoffnungsh'tte 7½pc '88 | 93½ | 94½ | General Electric 4¼pc 1987 | 99½ | 101 |
| Hambros 7½pc 1987 | 96 | 97 | Gillette 4¾pc 1987 | 89 | 90½ |
| Hamersley 8pc 1987 | 93½ | 94½ | Gould 5pc 1987 | 89 | 90½ |
| ICI 7¾pc 1992 | 93½ | 94½ | Halliburton 4¼pc 1987 | 142 | 144 |
| Kleinwort Benson 8½pc '87 | 97½ | 98½ | Harris 5pc 1992 | 86½ | 88 |
| Legal & General 7½pc 1988 | 92¾ | 93¾ | Hitachi 6¾pc 1984 | 126 | 131 |
| MEPC 8pc 1991 | 91½ | 92½ | Honeywell 6pc 1986 | 104½ | 106 |
| Michelin 7¾pc 1988 | 94 | 95 | ITT 4½pc 1987 | 81½ | 83 |
| Nat. & Grindlays 7½pc 1987 | 94 | 95 | Komatsu 6¾pc 1984 | 137 | 142 |
| RHM Intl. 8pc 1988 | 92½ | 93½ | J. Ray McDermott 4¾pc '87 | 136½ | 138½ |
| Prov. of Quebec 7¾pc 1988 | 94 | 95 | Masco 4½pc 1987 | 94 | 95½ |
| Shell Intl. 8pc 1996 | 96 | 98 | Mitsubishi Elec. 7pc 1985 | 170 | |
| Slough 8pc 1988 | 90 | 91 | J. P. Morgan 4¾pc 1987 | 127 | 129 |
| South Africa 7½pc 1987 | 93 | 94 | Motorola 4½pc 1988 | 146 | 148 |
| Stand. Oil (Ind.) 8½pc '88 | 101½ | 102½ | Murphy 3pc 1989 | 130 | 132 |
| Tenneco 7¾pc 1987 | 95½ | 96½ | Owens Illinois 4½pc 1987 | 99 | 100½ |
| Town and City 8pc 1987 | 91 | 92 | J. C. Penney 4¼pc 1987 | 103½ | 105 |
| Volvo 8pc 1987 | 96½ | 97½ | Rank 4½pc 1993 | 57½ | 59 |
| Wellcome 8½pc 1987 | 95 | 96 | Revlon 4¾pc 1987 | 99 | 100½ |
| Williams & Glyn's 8½pc '87 | 97½ | 98½ | Sime Darby 5¾pc 1988 | 79 | 81 |
| NOTES | | | Slater Walker 5½pc 1987 | 78 | 80 |
| Bank of Tokyo 7¾pc 1976 | 98½ | 99½ | Sperry Rand 4¼pc 1987 | 107½ | 109 |
| Barclays 7½pc 1978 | 100 | 101 | Squibb 4¾pc 1987 | 99½ | 101 |
| Du Pont 7½pc 1978 | 100½ | 101½ | Toshiba 6½pc 1985 | 148 | |
| Esso Intl. 7½pc 1978 | 99½ | 100½ | Union Carbide 4¾pc 1982 | 94 | 95½ |
| First Chicago 7pc 1980 | 93½ | 94½ | Warner Lambert 4½pc 1987 | 103½ | 105 |
| General Motors 8½pc 1976 | 100 | 101 | Warner Lambert 4¾pc 1988 | 93 | 94½ |
| Rockwell Intl. 7½pc 1979 | 98½ | 99½ | | | |
| Tenneco 7½pc 1978 | 97½ | 98½ | | | |

Source: White Weld Securities. Source: Kidder, Peabody Securities.

Company Results

## Sales advance for Thomson-Brandt

● Thomson-Brandt Group consolidated first nine-month sales rose to Frs.6,335m. from Frs.5,064m. in the same period last year. Consumer goods accounted for Frs.2,077m. (Frs.1,495m.), industrial goods Frs.2,570m. (Frs.2,166m.), medical equipment Frs.565m. (Frs.498m.), lighting equipment Frs.335m. (Frs.287m.), and other activities Frs.507m. (Frs.638m.).

Consolidated first nine-month sales of the Thomson-CSF group, an electronics subsidiary were Frs.2,696m. (Frs.2,330m.).

● Beghin-Say first half provisional gross profits totalled Frs.63.7m. The company said no significant comparative was available due to accounting differences of its constituent companies, Beghin and Raffineries et Sucreries Say, which merged earlier this year.

● Societe Nationale des Petroles d'Aquitaine (SNPA) first nine months net sales of Frs.1,227m. (Frs.941m.).

● Ricard reports first nine months net sales of Frs.696m. (Frs.591m.).

● Publicis has proposed a total dividend of Frs.7.50 (Frs.13.50) for 1972.

● Financiere de l'Union Europeenne net dividends and other revenues in the three months ended September 30 was Frs.2.89m. (Frs.2.18m.).

● Paternelle first half profits before depreciation rose to Frs.16.7m. (Frs.15.3m.).

● Magasins Prisunic first half profits after tax rose to Frs.2.1m. from Frs.1.9m.

● Darblay reports a loss for the year to June 30 of Frs.3,793,506 compared with a net profit of Frs.2,111,138 in the previous year.

● Scovill Manufacturing reports third quarter earnings of 65 cents per share or net of $5.13m. compared with 57 cents or net of $4.36m. Sales totalled $152.8m. ($134m.).

● Thomas Nationawide Transport (TNT) increased net profits to $A2.125m. ($A1.612m.) in the quarter to September 30 following a rise in revenue to $A51.540m. from $A33.943m., the annual meeting was told.

Directors said overseas earnings for the quarter compared with the September, 1972 quarter have been "deflated" on consolidation into the Australi[an] accounts by the September Aust[ra]lian revaluation in addition [to] the realignments of Febru[ary] 1973 and December, 1972. [It] added that "there has been [no] real loss in earnings and as as these have been retained [in] the overseas activities."

The latest quarter's results [do] not include any earnings [from] Overland Western although T[NT] has paid for 59 per cent. and [has] set funds aside for the balan[ce] of this new Canadian acquisiti[on]. If final approval for the acqu[isi]tion had been received TNT [...] quarter results would have b[een] about 10 per cent. higher, or [...] cents per share, the directors sa[id].

Chairman, F. W. Millar, sa[id] the group's transport activiti[es] are going well everywhere despi[te] the more difficult industri[al] climate in some areas and dela[ys] in procurement of new equip[ment].

● Bank of Adelaide reports con[solidated] net profits of $A6.6[...] ($A5.003m.) for the year to Sep[tember] 30. This included prof[its] of Finance Corporation of Au[s]tralia for year ended June 30. [A] final dividend of 7 per cent. is [to] be paid, making an increased tot[al] of 13 per cent. (11 per cent.).

● Mitsui reports after-tax profi[ts] for the half-year to September [...] of Y5,663m. (Y5,058m.) [on] gross revenue of Y3,063,68[...] (Y2,677,594m.). A same aga[in] dividend of Y3.50 is to be paid.

● Mitsui Shipbuilding and En[gi]neering reports after-tax profi[ts] for the half-year to Septemb[er] 30 of Y5,109m. (Y1,161m.) [on] gross sales of Y106,93[...] (Y94,122m.). An increased di[vi]dend of Y73 (2.50) is to be pa[id].

● Acmex Holdings, which contr[ols] Australia's largest leather tann[ery] reports a $A232,183 turnround [in] the last qurater of its financ[ial] year to June last. A group l[oss] of $A288,799 over nine mon[ths] has been cut to $A36,616 for t[he] full year. Directors state th[e] benefits from the reorganisati[on] of the Johnson tannery, Acme[x] biggest investment, are now beg[in]ning to flow and have been larg[ely] responsible for the stro[ng] recovery in the last quarter.

Other News

## Burroughs plans joint marketing unit in Japan

● Burroughs announces that it has agreed to purchase a 50 per cent. stock interest in Takachiho Burroughs, its distributor in Japan.

Takachiho Burroughs is presently a wholly-owned subsidiary of Takachiho Koheki. An application has been submitted to the Japanese Government for approval of the contemplated stock purchase. Mr. Takeo Kagitani, president of Takachiho Burroughs, will continue as president of the jointly-owned company.

The Takachiho organisation has been the exclusive distributor of Burroughs full range of electronic data processing systems and buiness machines since 1954. Gross revenue of the Japanese distributor from the marketing of Burroughs products in 1972 were about Y23,755m. (about £38m.).

● First National Bank of Chicago president Gaylord Freeman said the bank is considering seeking a listing on one of the European bourses, though he did not specify which exchange. He was speaking during a tour of the bank's Asian offices in Hong Kong.

● The Canadian Imperial Bank of Commerce has opened a subsidiary in Paris designed to facilitate Franco-Canadian business operations. The CIBC Paris branch, the first full branch of a Canadian bank to open in Paris for over 50 years, will be under director Martin L. Dufresne. It will offer all kinds of financial facilities to French businessmen wishing to set up operations in Canada or do business with the Confederation, he said. The branch office is located on [the] Avenue Montaigne, close to [the] Canadian embassy.

President Jeffrey Page [...] Wadsworth said CIBC was wa[tch]ing closely the growing tr[ade] relations with the Soviet b[loc] and will eventually decide [to] open an office in Moscow.

● Hong Kong and Kowloon Wh[arf] and Godown and Hong K[ong] Tramways announced agreem[ent] in principle has been reached [on] a merger of the two companies.

"The merger would proba[bly] be effected by way of an offer [of] shares of the Wharf company [to] the shareholders of Hong [Kong] Tramways," a spokesman for [the] companies said. The st[ock] exchanges in Hong Kong h[ave] been requested to suspend de[al]ings temporarily in the shares [of] Hong Kong Tramways.

Jardine Matheson (Austral[ia]) has acquired a further 39,[...] shares in Fleetways (Holdin[gs]) which are being registered in [the] name of Rostock Nominees. T[he] acquisition brings the compan[y's] interest in Fleetways to 3,933,[...] shares.

● Nippon Kokan has announc[ed] the kindling of one of the wor[ld's] largest blast furnaces at Fukuyama works in weste[rn] Japan. It will bring Nipp[on] Kokan's steel production capac[ity] to 23m. tons a year. The furn[ace] cost the company Y14,000m.

● The U.S. Federal Rese[rve] Board approved the acquisition [of] two Florida banks by Cen[...] Financial Systems. The banks [are] First National Bank and Trus[t of] Lake Worth, with deposits [of] $84m., and First National Ba[nk] and Trust of Tequesta, w[ith] deposits of $32.4m.

# FARMING AND RAW MATERIALS

## Peru bans fishmeal contracts

WASHINGTON, Nov. 8.

PCHAP, THE Peruvian statein fishmeal and oil company, ıd it was cancelling mediately all pending conacts for fishmeal and fish oil.

It was responding to a decree gned by Javier Tantalean anini, the Peruvian Fisheries inister, placing an immediate in on exports of anchovy meal ıd oil because the Peruvian Eureka" fishing investigations ıd produced no evidence so far at anchovy fishing could be sumed on a commercial scale.

The decree states, according to ›chap, that although during a riod of adverse oceanographic nditions Peru had made every fort to partially fulfil contracal obligations, it could no nger continue to do so "as it affecting the stocks for local nsumption which are basic for tional feeding."

The decree does authorise ›chap, however, to load fishal on to vessels already ntracted for commitments this onth and also to load vessels e to arrive on, or before, vember 30, or which, because justified reasons, arrive later ın that date.

uter

## Better times for potato producers

ly Our Commodities Staff

SPITE A SMALL surplus of atoes last season, producers' ces were kept at a higher el in the two previous years l did not fall to the Governnt's guaranteed price level tes the Potato Marketing ard's annual report published lay.

The average price of £19.71 a for the 1972 crop compared h £15.06 and £14.50 a ton in two preceding years.

On its quality control arrangents the Board reports that compulsory identification eme, which came into force January 1 this year, was epted and acted upon almost a matter of course.

The result has been a marked provement in dressing standς, which has been commenupon in the trade," the ort says.

On consumption of potatoes, Board says that after a iod, when it seemed a gradual line might take place, it was couraging to see an apprele rise for the second sucssive year from 185 lb per ad two years ago to 197 lbs.

## Copper and zinc climb to new all-time highs

BY JOHN EDWARDS

COPPER AND zinc prices soared to new all-time peak levels on the London Metal Exchange yesterday. Copper cash wirebars traded at £900 a metric ton for the first time ever on the late kerb, although closing at £896, £17 up on the day. Cash zinc, after its spectacular rise on Wednesday, added another £23.5 to reach £602.5 a metric ton—£82 up on Monday's closing price.

A tightening of the squeeze on available supplies, already acutely scarce, was the reason behind strong price increases in both the copper and zinc markets.

In copper speculative activity was encouraged by a breakthrough of the £850 a ton barrier for the three months quotation, which brought in chartist buying and covering against previous sales. But the main influence in the market is the tight nearby supply situation, both in London and New York.

A fall in LME copper stocks, possibly to below 30,000 tons, is being predicted as a result of shipments from Europe to the U.S. in view of higher prices that have been obtainable in New York.

Reports this week of furnace troubles at American Smelting and Refining's Perth Amboy refinery, and the possibility of a cutback in deliveries, have aggravated supply difficulties, although Asarco has not yet made any statement about reducing shipments. Nevertheless the danger of a cutback has intensified demand for copper, just in case, at a time when supplies are extremely low as a result of production cutbacks and well above average consumption.

Consumer interest at the higher levels is likely to be subdued, however, particularly in Europe. Any surplus supplies around will obviously be attracted to the market.

The rise in zinc prices followed much the same pattern as on Wednesday, although values moved more erratically in the morning. There was no actual trading in cash zinc above £598.

An intense squeeze on nearby supplies continues to be the dominating influence, backed up by the Bunker Hill strike that threatens to cutback output at a time when any production setback is serious. However, the strike will have to last for some time before it makes any significant impact on output and a settlement of the stoppage could well bring a rush of speculative selling.

Tin prices lost ground yesterday, despite the upward trend in other metals. Although the Malaysian market was up again, and at $M751.5 a picul is very close to the Tin Agreement "ceiling" of $M760, the strength of sterling against the Malaysian dollar meant that the Penang price was actually lower in London market terms.

At the same time it was suspected that the buffer stock of the Tin Agreement was "lending" metal yesterday. Significantly the cash price suffered the main loss, falling by £15.5 to £2,232 a metric ton, and is below the three months quotation for the first time since July.

## Steep phosphate price rise plan

BY RAY DAFTER

MOROCCO CONFIRMED yesterday that it plans to increase the price of its phosphate rock by a swingeing 200 per cent.

Negotiations over next year's supplies have already started, but the proposed increase, as announced in Paris by the Moroccan phosphate organisation, OCP, is even higher than the rumoured levels quoted in London earlier this week.

In essence, Morocco is seeking to raise levels from around $15 a ton to $45. On top of this U.K. importers may face increases through the passing on of shipping freight rates, one of the conditions which OCP is believed to be pressing.

In addition, there are hints that price levels could go even higher in the second half of next year. The contracts under negotiation will apply until July 1. The fact that OCP is calling for renegotiations in the second half of the year is a clear indication that it contemplates further price rises.

Most major importers have now been told of the new levels. Albright and Wilson yesterday used a pre-arranged meeting with the OCP organisation to clarify the pricing situation. Later it commented: "Negotiations have commenced for 1974 contracts at a level as indicated by current rumours. Hard negotiations will continue for the next few weeks."

Fisons are also in negotiations. Imperial Chemical Industries does not buy direct from Morocco—its main supplies come from Senegal—although it has confirmed that subsidiary interests are at present holding talks with Morocco.

This country is responsible for 34 per cent of all phosphate exports, used in the manufacture of fertilisers and detergents in particular. Last year Britain imported from Morocco 1.24m. tons valued at £8.1m. In the first nine months of this year, 1.1m. tons were imported with a value of £8.5m.

## U.S. wheat export embargo 'inevitable'

U.S. GOVERNMENT action to embargo wheat exports by next summer seems inevitable, if present statistical projections are correct, according to Mr. Frederick G. Uhlmann, chairman of the Chicago Board of Trade, reports Reuter.

Speaking in London yesterday he said export commitments and assessment of domestic requirements for 1973-74 indicate a "minus reserve" of wheat at the start of the 1974-75 crop year, next July.

This is based on outstanding export commitments reported for wheat this season—which in the last U.S. Department of Agriculture report stood at 862m. bushels—plus more than 455m. bushels already exported since the current season began last July, added to estimated total domestic consumption of between 800m. and 850m. bushels, he explained.

On the other side of the equation is a record 1,750m. bushel crop this year, added to a 400m. bushel carryover.

This pointer to Government intervention again next year, depends on the accuracy of exporters' figures, he said, and is in the face of denials of any such steps by Mr. Earl Butz, U.S. Secretary of Agriculture.

Mr. Uhlmann pointed out that Canada has committed its entire crop this year and latest reports are that Australia's promised bumper crop is deteriorating.

## Surprise cut in bacon price

By Peter Bullen

FIRST HAND bacon prices fell yesterday—the first fall for more than four months. The surprise downturn in prices was started by the Danish pricing agents, who brought the Danish A1 price down by £20 from its record high level of £700 a ton. Other nationalities, including British bacon producers, made similar reductions.

No clear reason for the drop could be seen by the trade and there were suspicions that prices would not remain at the lower levels for long, particularly as the traditional pre-Christmas increase in demand is likely to start soon.

With EEC pork markets proving slightly less of a draw to Danish pig producers, coupled with some consumer resistance to high retail prices in Britain, the Danes reacted by making the £20 reduction. It could help to revive consumer interest, if the reduction, equivalent to about 1p a pound off retail prices, is passed on to housewives.

In its week-end price forecasts the Ministry of Agriculture says little change is expected in meat, poultry or egg prices. Improved haddock landings could lead to a slight drop in price. Cucumbers, cauliflowers, cabbages, onions, grapefruit and lemons should all be cheaper. Some imported dessert apples may be dearer, but other fruit and vegetables will be unchanged.

## Argentinian wine makers seek exports

ARGENTINA'S WINE producers are increasing efforts to find export markets for their surplus production, reports AP-Dow Jones from Mendoza, Argentina.

Wine-makers are expecting an exceptional grape harvest this year and, if the weather holds, they could be left with a 2m.-ton surplus.

There are about 2,000 bodegas (wine-making plants) in Argentina which produce an annual total of 530m. gallons. This puts the Argentinians among the world's top five wine producers. In the past virtually all the country's produce has been consumed at home, but recently rising prices have hit domestic consumption.

Wine-makers are seeking Government help in handling export red tape and the building of an international image. They claim that early market researches have given some encouraging results.

FARM PRODUCTIVITY

## Mixture of stick and carrot needed

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

MY THOUGHT that the National Economic Development Office had ceased to function, as far as farming was concerned, when Selsdon Man took over the reins is proved wrong by the agricultural Little Neddy's study of farm productivity published to-day.

Productivity is defined as the gross output per £100 input as the criterion most likely to demonstrate a farmer's ability and efficiency in making the best use of his resources. This margin varied from £90 to £110 on low performance farms and from £130 to £150 on the high performance sector.

There is a definite relationship between the size of farm and its efficiency. Most lower performers were the smaller farms. This did not mean that in the farmer's eyes the smaller farms, generally family concerns, were actually losing money, because inputs included the labour of the farmer and his family. This meant that they were actually earning less than employed labour on larger and more efficient farms.

The report suggests that family farms should look at the prospects of outside part-time work as a means of boosting total family labour. It was also found that productivity tended to fall on farms run by the older men, the range in age of those surveyed was from 23 to 81.

Older men, it says, are not as interested in the profit motive and means should be found of easing their retirement without affecting their standard of living. The average age of those interviewed appears high at 53.

Among the more interesting points is that efficiency in productivity is not related to the farmer's formal agricultural training. Most left school at 16 and were successful because they were skilled in practical husbandry and, where labour was employed, in management.

The suggestion is made that courses at the various training and educational establishments should be re-examined. There is evidence that younger farmers are more productive than older ones, from which it is deduced that more of them, perhaps, had been trained.

Formal training is a vexed question to-day. Many landlords and employers are insisting now that their tenants, or managers, should have had formal training. But it is obvious to anyone who knows farming that the report has accurately hit the nail on the head.

The majority of successful farmers in any district picked up their skills as they went along, even men running large businesses. Of those the writer has known who received higher education, this was generally unrelated to farming.

Two of the most successful had degrees in history and natural science. This would indicate that an IQ test would probably be a better way of choosing a farmer than any other, if some regulation of entrants is ever considered desirable, which God forbid.

The basic cause of any productive inefficiency, in my opinion, is that the farmer is not subject to stresses that make him strain every nerve to survive. New Zealand dairy farmers, the most productive in the world, have had long periods of low prices over the years, which have forced them to be efficient, or fail. In addition, they usually have a low equity margin of perhaps 30 per cent.

By contrast, the average farm surveyed had an equity figure of 75 per cent. of total assets and in the short-term current assets exceeded liabilities by 3-1 on average.

This is an extremely healthy financial position and could well lead to complacency. It probably explains why young farmers, who are usually under-capitalised and paying higher rents or land costs, are forced to be more efficient. It is probable that financial stress is a better education than any formal training.

This could be the lesson of the report. Productive efficiency in farming, as in anything else, depends on a mixture of the stick and the carrot. Farmers will do their best if they are forced to by necessity, or need for more cash. If they are satisfied with what they have, they are apt to ease off. Why shouldn't they?

*Report on factors affecting productivity at the farm level, Agriculture EDC, 50p, HMSO.*

## Caribbean confidence on EEC trade

BY OUR OWN CORRESPONDENT

BARBADOS, Nov. 8.

TWO COMMONWEALTH leaders in the Caribbean have expressed confidence that primary commodities from the area, such as sugar and bananas, will find a secure place in the enlarged European Economic Community.

Mr. Robert Bradshaw, Premier of St. Kitts Nevis Anguilla, reporting on a recent overseas tour which included negotiations with the EEC in Brussels, said: "It seems fairly certain that the Common Market will ultimately agree to 1.4m. tons of Commonwealth sugar per annum."

Speaking in a radio broadcast, he was also confident that other commodities would find "a secure market." He warned that production would have to be increased. If the Caribbean did not meet its quota commitments, Europe would be forced to look elsewhere.

"We shall therefore now have to be doubly serious about ensuring that we produce more and more sugar and other commodities for the simple reason that the money we need to buy from abroad can only come from the boost we produce to sell abroad."

Mr. Bradshaw said Mr. James Mitchell, the Premier of St. Vincent, who was also involved in the Brussels negotiations, said there was every reason to believe there would be a stability of prices in the Community for Windward Islands bananas. The price dropped drastically last year, before Britain agreed to regulate the market to prevent a recurrence.

Mr. Mitchell said that the aim was to "set up an institutional arrangement with the blessing of the EEC" for proper regulation of the British market. If this was achieved, there was no reason why banana prices should not maintain their present buoyant level.

## SOUTH AFRICAN SUGAR SALE TO JAPAN

DURBAN, Nov. 8.

A South African Sugar Association spokesman confirmed yesterday that Japan has bought from his country 200,000 long tons of sugar for January-June shipment at prices linked to the London terminal, plus £3.50 per ton, reports Reuter.

In London, the daily price was marked up by £1 to £108 a ton, the all-time peak first reached last Friday. But the LDP now includes a freight rate of £14 a ton.

# COMMODITY MARKET REPORTS AND PRICES

## BASE METALS

PPER—Traded at record levels on London Metal Exchange, cash metal ng at £900 on the afternoon Kerb forward at £859. Once again it was strength of the U.S. market which the main influence on prices here. tightness of available supplies caused sh widening of the backwardation there are expectations of sizeable ents out of warehouse stocks in the few weeks. Consumer interest was negligible but stop-loss and chartist g was reported while the Asarco ce troubles at Perth Amboy ned a backgroud influence. Turn- 18,300 metric tons.

| PER | a.m. Official | + or — | p.m. Unofficial | + or †— |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| ars | | | | |
| ...... | 888-90 | +11.5 | 895-7 | +17 |
| ths.. | 848-50 | +5.5 | 855-6 | +11 |
| m't.. | 890 | +12 | — | ...... |
| des... | | | | |
| ...... | 883-5 | +15.5 | 883-90 | +18 |
| ths.. | 838-40 | +9.5 | 840-2 | +13.5 |
| m't. | 885 | +16 | — | ...... |
| mt.. | — | ...... | *60-60¼ | ...... |

lgamated Metal Group reported the morning cash wirebars traded 8, 89, 90, three months £841 to 50.

Cathodes: cash £888, 82, 84, three months £839. Kerbs: early Jan. £875, late Jan. £858, three months £853 to 52 to 53 to 57. Afternoon: Wirebars: cash £885, 96, mid-Nov. £895, mid-Dec. £886, early Jan. £871, mid-Jan. £857, early Feb. £855, three months £855 to 58 to 54, 55, 56. Cathodes: three months £842. Kerbs: cash £899, 900, late Nov. £890, 96, three months £855, 54 to 59. Cathodes three months £843, 42.

TIN—Gave ground, especially in the cash position where lending of metal was thought by some quarters to have been on behalf of the buffer stock manager. The forward price held relatively steady although the further advance in the Penang market overnight was again offset by the sterling exchange rate. Turnover 835 tons.

| TIN | a.m. Official | + or — | p.m. Unofficial | + or †— |
|---|---|---|---|---|
| | £ | £ | £ | |
| Cash | 2244-5 | +2 | 2230-5 | —15.5 |
| 3 months | 2240-1 | +8 | 2236-8 | —3.5 |
| S'ment | 2245 | +2 | — | ...... |
| Straits E. | ‡$751½ | +3½ | — | ...... |
| New York | — | ...... | — | ...... |

Morning: cash £2,243, 45, three months £2,245 to 39, 40. Afternoon: three months £2,235. Kerbs: cash £2,233, three months £2,238.

LEAD—Ended at the day's highest levels, prices moving upwards in quiet trading, reflecting the firmness of copper and zinc. Turnover 3,475 tons.

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or †— |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 194-.5 | +2.5 | 193.5-4 | +2 |
| 3 months | 196.5-7 | +2 | 196-.5 | +1.5 |
| S'ment | 194.5 | +2.5 | | ...... |
| N.Y. Spot | | ...... | *16-16.5 | ...... |

Morning: cash £193, 94, three months £195, 96.5, 97, 96.5. Afternoon: three months £197, 96.5, 96, 96.5.

ZINC—Sharply higher again with prices touching record levels before easing owing to profit-taking. Although quoted at £600-£605 in the afternoon Ring, the top trade for cash metal was £598. Forward touched £537 before ending at £532. The strike at Bunker Hill, good physical demand, shortage of available material and speculative demand were the main market factors. Turnover 5,275 tons.

| ZINC | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | | £ | £ |
| Cash | 590-2 | +17.5 | 600-5 | +25.5 |
| 3 months | 529-30 | +9.5 | 535-7 | +19.5 |
| S'ment | 592 | +17 | — | ...... |
| St. Louis | — | ...... | *20.25-2 | ...... |

* Cents per lb. † On previous unofficial close. ‡ $M per picul.

Morning: cash £598 to 90, late Dec. £545, three months £523 to 32, 29, 30. Kerb: three months £530, 29, 28. Afternoon: late Nov. £590, three months £530 to 37. Kerb: three months £537 to 34 to 36.5, 36; 32.

## SILVER

Silver was fixed 1.25p an ounce lower for spot delivery in the London bullion market, at 117.20p. Forward premiums narrowed 0.05p, the three-month to 3.40p, the six-month to 6.40p, and the 12-month to 12.00p. U.S. cent equivalents of the fixing prices were: spot 283.9c., down 2.3c.; three-months 289.5c., down 2.3c.; six-months 293.7c., down 2.3c.; and 12-months 300.6c., down 2.3c. Business was moderate. The spot price opened at about 116.8-117.8p (283-285c.), and after modest fluctuations ended at 117-118p (283.5-285.5c.).

| SILVER (per troy oz.) | Bullion fixing prices | + or — | L.M.E. close | + or — |
|---|---|---|---|---|
| Spot | 117.2p. | —1.3 | 116.95p | —1.65 |
| 3 months | 120.6p. | —1.3 | 120.3p | —1.35 |
| 6 months | 123.6p. | —1.3 | — | ...... |
| 7 months | — | ...... | 124.1p | —1.45 |
| 12 months | 129.2p. | —1.3 | — | ...... |

LME—Turnover 279 (327) lots of 10,000 ozs. Morning: three months 120.5, .6. Kerb: three months 121. Afternoon: cash 117.0, 16.9, three months 120.7, 0.8, 0.9, 0.8, 0.5, 0.4, 0.3. Kerb: three months 120.4, 20.5, 20.8, 21.

## COCOA

The market tone was set this morning by the strength shown in near positions, reports Gill and Duffus. The afternoon saw values advancing further in active trading conditions, closing steady below day's highs.

| COCOA | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| No.4 Contract | | | |
| Dec. 1973 | 549.5-50.0 | +7.5 | 541.0-52.5 |
| March | 499.5-500.0 | +8.0 | 487.5-506.0 |
| May | 485.0-5.5 | +7.5 | 474.5-88.5 |
| July | 479.5-80.0 | +4.5 | 474.5-85.0 |
| September | 477.0-9.0 | +7.5 | 471.5-79.0 |
| December | 463.0-3.5 | +6.5 | 459.0-65.0 |
| March | 459.5-60.0 | +5.0 | 460.0 |

Sales: 8,613 (2,631) lots of 10 tons.

International Cocoa Agreement prices: Daily 54.89 (54.07) U.S. cents a pound: indicator 15-day average 55.82 (56.13), 22-day average 56.94 (57.28).

## JUTE

LONDON—Quiet. Bangladesh White "C" grade Nov.-Dec. £150 seller. "D" grade Nov.-Dec. £140 seller. A long ton.

CALCUTTA—Steady. Indian Nov.-Dec. Rs.370. Dundee Daisee Nov.-Dec. Rs.345 values. A bale of 400 lbs.

DUNDEE—Steady. Prices c. and f. U.K. for Nov.-Dec. shipment. BWB £157, BWC £147, BWD £137. Tossa: BTB £158, BTC £148, BTD £137. Calcutta goods steady. Quotations c. and f. U.K. for Nov. shipment 10-ounce 40-inch £7.61, 7½-ounce £5.66—per 100 yards. Dec. £7.51, 5.66. Jan.-March £7.49, £5.74. "B" twills £18.05, £18.10, £18.16 for the respective shipment periods. Yarns and cloths very firm.

## FREIGHTS

OIL TANKERS—Still a confused market with not many fixtures and differentials in rates agreed. An Esso relet of 160,000 tons was arranged from Persian Gulf to Japan on November 20 at Worldscale 95 but a 100,000-tonner was fixed from Persian Gulf to U.K.-Continent, with options, loading the same date at W.200 by the Greek Government. SAFOL took a 60,000-tonner for two voyages from Persian Gulf to South Africa, commencing December 2, at between W.240-230. There still appears to be a "two-tier" rate system between "embarrassed" oil company relet tonnage and the rate at which independent owners are willing to fix their tonnage.

DRY CARGO—With signs of an increasing availability of large ore/oil carriers in the dry cargo market, brokers report sharp reductions in rate indications for this type of tonnage. An overnight coal booking from Hampton Roads to Japan at $18.50 for Dec., following similar business several days ago at $22.75, reflected this trend. Time-chartering was on a reduced scale with increased costs and difficulties in obtaining bunkers a restricting influence. A cargo of wheat was fixed from the St. Lawrence to West Coast U.K. at £9.90½ free discharge for November. Other grain bookings included Mississippi River to the Netherlands at $19 f.i.o. for Nov.-Dec. and from the Gt. Lakes to Rotterdam at $41 f.i.o. for Nov., also from the U.S. Gulf to Bandar Shapur at $40 f.i.o. for Nov. A cargo of grain was also covered from the U.S. Gulf to Poland at $27.25 f.i.o. for Nov.

## COFFEE

Robusta futures held relatively steady during the early afternoon but sagged finally under further hedge selling and speculative liquidation, despite steady New York advices.

Arabica terminal drifted lower to finish 10 points lower to 10 points higher.

Latest published ICO indicator prices U.S. cents per pound: Colombian Mild Arabicas 71.00, Other Mild Arabicas 62.50, Unwashed Arabicas Santos Fours 74.50, Robustas 52.76. Daily average 64.67.

The Robusta terminal was marked up by 2.5 to 1.0 stg per ton in morning sales of 239 lots, mainly on moderate fresh buying following improved roaster and dealer offtake in nearby Ambriz coffee overnight at firmer prices. Also aiding the trend was additional Uganda Board sales at the higher level.

Arabica futures gained under the influence of the New York "C" Contract, although values edged back on profit-taking to finish the session unchanged to 40 points up.

| COFFEE | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| | £ per L/ton | | |
| November | 453.0-3.5 | +0.75 | 453.5-5.0 |
| January | 466.5-7.0 | —1 | 466.5-70.0 |
| March | 477.5-8.0 | —1 | 477.5-82.0 |
| May | 487.5-88.0 | —1 | 491.0-8.0 |
| July | 493.0-3.5 | +0.50 | 492.5-5.0 |
| September | 496.0-7.0 | ...... | 497.5-9.0 |
| November | 499.0-500.0 | +0.50 | 501.0 |

Sales: 541 (866) lots of 5 long tons.

ARABICA CONTRACT (buyer/seller business): Feb. 72.10-30, 13; April 73.50-90, 9; June 74.90-75.00, nil; Aug. 75.90-76.10, nil; Oct. 76.60-90, nil; Dec. 77.10-40, nil. Sales 22.

## GRAINS

MARK LANE—The market remained quiet and showed little basic change. Small parcels of Hagberg milling wheat traded to the London area at £59.25 per ton and Jan.-March at £61.75 per ton. Barley was quiet. Average sellers quotations in sterling per long ton for delivery London area. Wheat (Hagberg) Nov. £59.25, Jan.-March £61.75. Barley feed Jan.-March £51.50. Oats milling £51 to £52, feed £50 to £51.

THE BALTIC—A 17,000 ton cargo of U.S. No. 3 yellow corn traded for Dec. direct shipment to Glasgow, and small quantities of optional French maize-U.S. corn sold for Nov. transhipment to the East Coast U.K. Meanwhile, EEC barley attracted renewed interest, with a limited tonnage selling for Nov. shipment to Southern Ireland.

Wheat: EEC, denaturable quality Dec. £65 seller U.K.

Maize: No. 3 Yellow American optional French Nov. £52.25, Dec. £53.25, Jan.-March £54 transhipment East Coast sellers. All others unquoted.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, steady. Close: Nov. 57.15, Jan. 58.50, March 59.70, May 60.60, Sept. 50.73. Business: Nov. 57.15 only, Jan. 58.20-58.00, March 59.70-59.10, May 60.60-60.15, Sept. 50.75-50.60. Barley, firm. Close: Nov. 48.65, Jan. 50.45, March 51.75, May 52.45, Sept. 44.75. Business: Nov. 48.75-48.65, Jan. 50.50-49.90, March 51.85-51.00, May 52.65-52.50, Sept. 44.75 only.

HGCA—Location average ex-farm spot prices: Soft milling wheat—Driffield 60.50, Hitchin 57.55. Feeding barley—Driffield 45.70, Dumfries 49.05, Hitchin 46.00.

EEC COMMISSION—The following EEC levies and premiums are effective for November 9 (in order—current levy plus Dec., Jan. and Feb. premiums, previous in brackets where changed). In units of account per metric ton. Soft wheat and mixed wheat and rye—all nil. Durum wheat—all nil. Rye—10.18, rest nil (7.89, rest nil). Barley—13.46, rest nil (11.26, rest nil). Oats—1.81, rest nil. Maize (other than hybrid for seeding)—11.33, rest nil (10.38, rest nil): Buckwheat—all nil. Millet—9.71, rest nil (11.06, rest nil). Grain sorghum—3.63, rest nil. Also effective for following flours: Wheat or mixed wheat and rye flour—nil. Rye flour—32.89 (29.78).

A revised list of Monetary Compensatory Amounts for Grains which will apply to the U.K., Ireland and Italy effective from November 12. The coefficient applied by the U.K. and Ireland is 1.167 and that for Italy 1.157.

The new MCA's for U.K. grains are: Common wheat and meslin 5.234, Durum 4.923, Rye 4.229, Barley 4.650, Oats 4.604, Maize 4.811, Sorghum 4.789.

## RUBBER

ABOUT unchanged opening, little interest throughout, closing easier. Lewis and Peat reported a Malaysian godown price of 176 cents a kilo (buyer, November).

| Contracts | Previous Day's Business | 12.45 p.m. Official prices | Closing buyers prices | Rise or fall |
|---|---|---|---|---|
| Malayan RSS I. c.i.f., conf vessels, n.b.c. ports | p | p | p | p |
| December | not avail. | 35¼-34⅛ | 35.0 | —1.0 |
| January | not avail. | 34.0-34⅛ | 33.25 | —1.0 |
| Landed | | | | |
| Spot | — | 38.5*-40 | 37.50 | —2.0 |
| December | — | 38.0-38.0 | 37.25 | —1.75 |
| January | — | 38-39.75* | 37.25 | —1.75 |
| February | — | 38.0-39.5 | 37.0 | —1.25 |
| Jan.-Mar. | 38.6-39.0 | 38.0-38.6 | 37.25 | —1.25 |
| April-Jun. | 38.75-37.5 | 36.4-36.6 | 35.90 | —0.70 |
| July-Sept. | 36.3-36.45 | 35.4-35.6 | 34.80 | —0.80 |
| Oct.-Dec. | 35.9-36.1 | 35.2-35.5 | 34.60 | —0.80 |
| Jan.-Mar. | — | 35.0-35.5 | 34.45 | —0.65 |
| April-Jun. | 35.35 | 34.7-4.9 | 34.35 | —0.45 |
| July-Sept. | — | 34.4-34.7 | 34.25 | —0.25 |
| Oct.-Dec. | 35.0 | 34.1-34.5 | 34.10 | —0.10 |
| Jan.-Mar. | — | 33.9-34.3 | 34.0 | ...... |

* Nominal.

Malayan thin crepe Dec. 41.0 (nominal seller). Sri Lanka thick crepe Dec. 45.5 (seller).

## SUGAR

LONDON DAILY PRICE—Higher at £108 (£107) a ton c.i.f. Nov.-Dec. shipment.

EEC DAILY IMPORT LEVIES: For white and raw sugars, both denatured and non-denatured, effective for November 9. White denatured and non-denatured, 5.28 (5.84); Raw denatured and non-denatured, 4.50 (4.88).

Sellers predominated after an initial firmer spell and prices were gradually eroded over the course of the morning. Prices stayed within a 50 point range in the afternoon in moderately active trading conditions, finishing just above the lowest levels of the day, reports C. Czarnikow.

| Sugar Pref. Comm Con. | Yesterday's Close | Previous Day's Close | Business Done |
|---|---|---|---|
| | £ per ton | | |
| Dec. | 107.90-108.20 | 107.50-8.00 | 107.9-108.9 |
| Mar. | 103.60-.70 | 103.95-4.00 | 103.4-104.1 |
| May | 99.45-.50 | 99.85-.95 | 99.50-100.0 |
| Aug. | 92.45-.50 | 92.90-93.00 | 92.55-93.05 |
| Oct. | 88.45-.60 | 89.00-.15 | 89.04-88.80 |
| Dec. | 86.60-.75 | 86.80-.85 | 86.50 |
| March | 84.00-.50 | 83.75-84.40 | 85.00 |

Sales: 3,221 (4,049) lots of 50 tons each.

Tate and Lyle ex refinery price for granulated in 1-cwt paper sacks was £101.90 (same) a long ton for home trade and £133.50 (£132.25) per tonne for export.

## WOOL FUTURES

(Pence per kilo)

| Dry-combed wooltops | Yest'day's Close | + or — | Business Done |
|---|---|---|---|
| December | 217.0-23.0 | —4.0 | 220.0 |
| March | 208.0-9.0 | —2.0 | 208.0-10.0 |
| May | 203.0-6.0 | —3.5 | — |
| July | 197.0-205.0 | —5.0 | — |
| October | 193.0-4.0 | —5.0 | — |
| December | 185.0-200.0 | —5.0 | — |
| March | 185.0-200.0 | —2.5 | 208.5-9.0 |
| May | 175.0-90.0 | —5.0 | 205.0 |

Sales: 1,026 (833) lots of 1,500 kilos each.

SYDNEY—The market opened 4 cents to 6 cents down. Prices held throughout the morning and there was a further decline in the afternoon, with most interest in near and middle months. Open positions were up, indicating new business on the market. The market closed 5 cents to 10 cents down.

(Aust. cents per kilo)

| Greasy wool | Yest'day's close | — | Business Done |
|---|---|---|---|
| December | 321.0-324.0 | —5.0 | 320.0-24.0 |
| March | 309.0-311.0 | —7.5 | 308.0-14.0 |
| May | 306.0-308.0 | —7.0 | 305.0-7.0 |
| July | 300.0-301.0 | —8.25 | 300.0-303.0 |
| October | 292.0-293.0 | —9.0 | 295.0 |
| December | 290.0-292.0 | —5.5 | 290.0-2.0 |
| March | 288.0-289.0 | —7.0 | 290.0 |
| May | 286.0-287.0 | —8.5 | 290.0 |

Sales: 13 (5) lots of 2,250 kilos each.

Sales: 1,026 (833) lots of 1,500 kilos each.

## MEAT/VEGETABLES

SMITHFIELD (pence per lb)—Beef: Scotch killed sides 28.0 to 30.5, English hindquarters heavy 31.0 to 31.0, forequarters heavy 22.0 to 22.5, Eire hindquarters 29.0 to 32.0, forequarters 21.0 to 23.0, Argentine chilled boneless cuts: Strip loins 83.0 to 84.0, Rumps 63.0 to 64.0, Top sides 46.0 to 47.0, Silversides 43.5 to 44.0, Thicks 43.0 to 44.0.

Veal: English fats 40.0 to 42.0, Higher quality 44.0, Dutch hinds and ends 45.0 to 50.0.

Lamb: English medium 27.0 to 32.0, heavy 26.0 to 29.0. Scotch medium 28.0 to 31.0, heavy 26.0 to 29.0, hill 28.0 to 32.0, Imported frozen: NZD's 30.0 to 30.0, 2's 30.0 to 30.4, 3's 29.5 to 29.5, YLs 29.0 to 29.4

Ewes: 14.0 to 15.0, Higher quality 16.0.

Pork: English, under 100 lbs 20.0 to 28.0, 100-120 lbs 20.0 to 27.5, 120-160 lbs 22.5 to 26.5, 160-180 lbs 21.5 to 23.0, 180 lbs and over 18.0 to 21.5.

COVENT GARDEN (prices in sterling)—Imported produce: Satsumas—Trays Spanish: approx 22 lbs 189 1.50, 168 1.60, 156 1.70, 136 1.90, 108/126 2.00. Oranges—South African: 56/112 2.90-3.10; Brazilian: Valencia Lates 2.90; Mozambique: 3.00-3.10; Argentine: 3.15; Spanish: Navelinas 3.00-3.20. Lemons—Italian: 4.00-4.40; Cypriot: 3.25-4.20; South African: 2.75-3.50. Grapefruit—Jaffa: 64 3.30, 75 3.00, 88 3.00; Argentine: 40/48/56 2.50; Jamaican: 33/40/50 2.50, 48/58 2.30; Cypriot: 72 2.70, 64 3.00, 50 3.20; Dominican: 27/32 2.40, 35 2.50, 40 2.50, 48 2.30, 63 1.90. Pomegranates—Spanish: 30/40/50 ½-boxes 1.50-1.80. Apples—French: Golden Delicious per 20 lbs 72/84 1.70-1.80, Jumble pack 28 lbs 2.20, Red Delicious 1.30-1.50; Italian: Rome Beauty 1.40. Pears—Per pound Italian: Williams 0.08, Passacrassane 0.06-0.07. Avocados—Israeli: 12/20 1.80. Melons—Spanish: Green 1.50. Grapes—Trays Spanish: Almeria 0.85-1.00, black 1.00-1.10. Tomatoes—Spanish: 1.50-1.80; Canary 1.40-1.60. Onions—Spanish: 2.10; Polish 2.00.

English produce: Potatoes—Per 56 lbs 0.65-0.85. Lettuce—Per 12, round, 1.00-1.20. Cabbages—Primo, nets 0.50. Cauliflowers—Per 12, 1.00-1.30. Mushrooms—Per pound 0.30. Beetroot—Per 28 lbs 0.35. Carrots—Per 28 lbs 0.25-0.30. Celery—Per box 20/25 Prepack 1.20-1.40, 12's ordinary 0.50-0.60. Apples—Per pound Bramley's 0.03, Worcester Pearmain 0.03-0.05, Cox's Orange Pippins 0.04-0.07, Russets 0.04-0.05. Pears—Per pound Conference 0.05-0.06. Sprouts—Per 28 lbs 0.90-1.40. Swedes—Per 28 lbs 0.30. Onions—Per 56 lbs 1.40, Picklers 56 lbs 1.20. Parsnips—Per 28 lbs 0.50-0.60.

Meat Commission—Average fatstock prices at representative markets on Nov. 8. U.K.—Cattle £18.70 per live cwt. (+0.07), sheep 33.0p per pound e.d.c.w. (+0.3), pigs £3.60 per sc.l.w. (—0.02). England and Wales—Cattle numbers up 11.4 per cent., average price £18.61 (+0.01); sheep numbers down 3.8, 33.0p (+0.2); pig numbers down 5.0, £3.61 (—0.02). Scotland—Cattle numbers up 69.3, £19.48 (+0.66); sheep numbers up 27.0, 32.9p (+0.4); pig numbers down 14.3, £3.49 (+0.14).

## PRICE CHANGES

Prices per ton unless otherwise stated.

| | Nov. 8 1973 | + or — | Month ago |
|---|---|---|---|
| Metals | | | |
| Aluminium (x) | £272.5 | ...... | £250 |
| Free market cif | £537-542 | +4. | £317.2 |
| Copper § | | | |
| Cash Wire Bars (x) | £896 | +17 | £845 |
| 3 months do. do. (x) | £855.5 | +11 | £818.5 |
| Cash Cathode (x) | £886.5 | +18 | £804.5 |
| 3 months do. (x) | £841 | +13.5 | £797 |
| Gold Troy ozs. | $98.00 | +0.75 | $103. |
| Lead Cash (x) | £193.75 | +2 | £199.25 |
| 3 months (x) | £196.25 | +1.5 | £201.25 |
| Nickel (x) | £1,413 | ...... | £1,413 |
| Free market cif (lb) | $1.42-.52 | ...... | $1.40-5 |
| Platinum (b) troy oz. | £66-68 | ...... | £66-68 |
| Free Market | £65½-68½ | +0.25 | £67¾-70¾ |
| Quicksilver (76lb) z. | 117-118 | +1 | 111-115 |
| Silver Troy ozs. | 117.2 | —1.3 | 117.3 |
| 6 months | 120.6 | —1.3 | 120.9 |
| Tin Cash (x) § | £2,232.5 | —15.5 | £2,181. |
| 3 month (x) | £2,237 | —3.5 | £2,186 |
| Wolfram 22.04lb cif | £19½-20½ | ...... | £18¼- |
| Zinc Cash (x) § | £602.5 | +23.5 | £412.75 |
| 3 months (x) | £536 | +19.5 | £434.25 |
| Producer (x) | £360 | ...... | £190-25 |
| Oils | | | |
| Coconut Malayan | ‡ | ...... | † |
| Groundnut | | | — |
| 5% | £234 | —2 | £228 |
| Linseed Crude | £400 | —2 | £377 |
| Palm Malayan | £170 | ...... | £182 |
| Soyabean (x) | ‡ | ...... | ‡ |
| Seeds | | | |
| Copra Philippine | $450(z) | +15.0 | $305 |
| Gr'nuts Nigerian | £158 | ...... | £156 |
| Linseed Can No. 1 | £187.50 | —2.4 | — |
| Grains | | | |
| Barley French | ‡ | ...... | ‡ |
| Home Futures | £46.85 | +0.85 | £50.95 |
| Maize | | | |
| No. 3 Yellow Am | £52.25 | ...... | £55.5 |
| S.A. Yellow Flint | ‡ | ...... | ‡ |
| Wheat | | | |
| No. 1 Red Spring | ‡ | ...... | ‡ |
| No. 2 Hard Winter | ‡ | ...... | ‡ |
| Australian (f.aq) | ‡ | ...... | ‡ |
| English Milling | £59.25(A) | —2.75 | £59.25 |
| Cocoa Shipment (w) | £595.5 | +10.5 | £624 |
| futures Mar | £499.75 | +8.0 | [illegible] |
| Coffee shipment (c) | £49.5 | ...... | £49.5 |
| futures Jan | £466.75 | —0.5 | £470 |
| Cotton 'A' Index | | | |
| c.i.f. L'pool cent/lb | 80 | +0.9 | 87.85 |
| Jute LJABWC (d) | £150 (z) | ...... | £149 |
| Rubber kilo | 37.5 | —2.0 | 37.0 |
| Sisal EA 3L (x) | £270 | ...... | £260 |
| Sugar | £108 | +1.0 | £106 |
| Wooltops 64s kilo | 237 | —10 | 273p |
| Cloves (Madagascar) | £1750 | ...... | £1,710 |
| Pepper White ton | £920 | —5 | £855 |
| " Black ton | £555 | ...... | £505 |

* Nominal. † Seller. § Unofficial close ♣ Indicative price. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C." ‡ Unquoted. h Jan.-March. w Ex warehouse. x C.i.f. U.K. u Metric tons n Sept.-Dec. v Aug.-Sept. p Dec. w Oct.-Nov. q Jan. s Sept.-Oct. y Nov. t Oct.-Dec. z Nov.-Dec.

## INDICES

### FINANCIAL TIMES

| Nov. 7 | Nov. 8 | Month ago | Year ago |
|---|---|---|---|
| 179.84 | 178.04 | 193.06 | 98.44 |

(Base July 1, 1952=100)

### REUTER'S

| Nov. 8 | Nov. 7 | Month ago | Year ago |
|---|---|---|---|
| 1182.2 | 1175.6 | 1208.7 | 671.7 |

(Base, Sept. 18, 1931=100)

### DOW JONES

| Dow Jones | Nov. 7 | Nov. 6 | Month ago | Year ago |
|---|---|---|---|---|
| Spot | 300.77 | 300.22 | 323.58 | 172.62 |
| Futures | 279.25 | 278.04 | 301.97 | 167.56 |

(Average 1924-25-26=100)

### MOODY'S

| Moody's | Nov. 7 | Nov. 6 | Month ago | Year ago |
|---|---|---|---|---|
| Sple Comm't'y | 866.1 | closed | 642.1 | 446.2 |

(Dec. 31, 1931=100)

## U.S. Markets

NEW YORK, Nov. 8.

Cocoa—Ghana spot 73½ nom. (75 nom.). Bahia spot 63¾ nom (69½ nom.). Dec. 59.90 (59.60), March 52.45 (52.96), May 50.05, July 49.20, Sept. 48.60, Dec. 46.60, March 45.90. Sales, 1,763.

Coffee—Santos No. 2/3 unquoted (same). Santos No. 4 70.50 nom. (same). Colombian Mams 71.50 nom. (71.75 nom.).

Copper—Dec. 93.60 (94.10) Jan 89.20 (90.20 settlements), March 84.60, May 81.00 settlements. Sales, 2,500 lots.

Cotton—No. 2 Contract: Dec. 71.52 bid (69.52 bid), March 70.67 bid (68.07), May 69.40 bid, July 68.21 bid, Oct. 61.33 bid, Dec. 57.22 bid, March 58.35 bid. Sales, 700.

ϕGreasewool—Spot 235.0 nom. Dec. 238.0-240.0 (237.0-243.5) March 224.0 (224.0-225.3), May 203.5-205.0, July 199.0-200.0, Oct. 195.5-200.0, Dec. 194.0-198.5, March 190.0-196.0.

†Lard—Chicago loose 21¾ asked (same). NY drummed 21½ asked (same).

†Maize—Dec. 233¾-234½ (234¾-234), March 237¾-238 (239¼-238¾), May 241½, July 243½-243¼, Sept. 239, Dec. 223-223, March 228 nom.

‡Platinum—Jan. 168.50 (163.50), April 173.50 (168.00), July 177.90 asked, Oct. 150.70 bid, Jan. 153.50-153.70, April 155.50-186.70. Sales, 899.

‡‡Silver—Spot 290.70 (298.30). Nov. 284.80 (291.70), Dec. 286.30 (293.20) Jan. 287.40, March 290.30, May 292.80, July 294.90, Sept. 297.00, Dec. 300.30, Jan. 301.30, March 303.50. Sales, 5,959.

*Soyabeans—Nov. 543-542 (536), Jan. 537-538 (533). March 540-538, May 544, July 543, Aug. 537, Sept. 532, Nov. 526, Jan. 529.

bSoyabean Meal—Dec. 159.00-158.50 (154.20). Jan. 159.00-159.50 (155.00), March 159.60-158.00, May 159.60, July 159.30, Aug. 158.50-159.50, Sept. 158.00-161.00, Oct. 156.50-152.00.

Soyabean Oil—Dec. 17.70-17.60 (17.32), Jan. 16.50-16.55 (16.41), March 15.90-15.90, May 15.65-15.60, July 15.45, Aug. 15.15-15.25, Sept. 15.00-15.15 asked, Oct. 14.75-14.80.

Sugar—Contract No. 11 Spot 10.05 (9.95). March 10.09-10.07 (9.75-9.82), May 9.59-9.57 (9.31-9.34), July 9.11-9.08, Sept. 8.69-8.69 Oct 8.50 March 7.95-8.00

Tin—252.25 asked (254.00 asked).

**Wheat—Dec. 449-450 (447½-450). March 416-415 (431-418), May 384-385, July 344-345, Sept. 344-345.

WINNIPEG, Nov. 7. ††Rye—Dec. 239¼ bid (239½), May 243½ bid (243 asked), July 237 bid, Oct. 230 nom.

§Barley—Dec. 235 bid (235), May 233½ asked (233 bid), July 220 nom., Oct. unquoted.

cOats—Dec. 157 bid (157¾), May 152½ asked (155 asked), July 136 bid. Oct. unquoted.

dFlaxseed—Nov. 954 (970), Dec. 938 (949½ bid), May 898 asked, July 887 asked, Oct. 8.45.

Wheat—ICWRS 13.5 per cent. protein content St. Lawrence 576½ (575½).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. †Chicago loose $'s per 100 lbs — Dept. of Ag. prices previous day. Drummed $'s per 10 lbs f.o.b. NY. ‡‡Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡ $'s per troy ounce for 50-ounce units of 99.8 per cent. purity delivered NY. ϕ New contract. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. c Cents per 34-lb bushel. §Cents per 48-lb bushel ex-warehouse, 5,000 bushel lots. d Cents per 56-lb bushel ex-warehouse, 1,000-bushel lots.

★

COPRA — Philippines/Indonesian (per ton)—Dec. and Jan. $450 quoted.

★

GRIMSBY FISH—Supply fair and demand moderate: Prices per stone at ship's side Shelf cod £2.40-£2.70, Codlings £2.10-£2.30, Shelf haddocks £2.40, Medium £2.20-£2.40. Large plaice £2.70-£2.80, Medium £2.40-£2.60, Skinned dogfish £2.50, Coalfish £1.60-£1.10, Catfish £1.50.

★

LIVERPOOL COTTON—Spot and shipment sales in Liverpool amounted to 50 tonnes, bring the total for the week so far to 347 tonnes, reports F. W. Tattersall. Minor operations were again recorded without the off-take showing much sign of expansion. Activity was confined to southern Leeds in Central and South American varieties, with scattered support in African types.

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# WALL STREET + OVERSEAS MARKETS +FOREIGN EXCHANGES

# Strong and active: Index up 17 by 1pm

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 8.

A STRONG RECOVERY in heavy trading got under way on Wall Street to-day, when the Stock Market received with enthusiasm President Nixon's Energy Message last night, and indications that peace was drawing closer in the Middle East.

By 1 p.m. the Dow Jones Industrial Average had regained a further 17.53 to 937.61 and the Transportation Index rallied 5.30 to 186.13, while the NYSE All Common Index recovered 79 cents to $57.33. Rises outpaced falls by 1,006 to 367, while the trading volume spurted ahead by 3.49m. shares to 13.59m. compared with 1 p.m. yesterday.

Traders also viewed as constructive President Nixon's announcement that he would stay in office, despite the flood of demands in recent weeks for his resignation, or impeachment.

Energy stocks were among the most outstanding performers. In part of the President's statement, he proposed the relaxation of clean-air standards at the discretion of the Environmental Protection Agency to permit the burning of "dirty" fuels now banned.

There was also relief that President Nixon did not impose petrol rationing in his Message on the Energy Crisis last night.

**Closing prices and market reports were not available for this edition.**

Atlantic Richfield rose $2⅜ to $107⅜. Combustion Engineering $3¼ to $88⅝, Standard Oil of California $1¼ to $68½, Exxon $2 to $93¼ and National Semi-Conductor $2½ to $74¼.

North American Coal put on $1¾ to $41¼ and Eastern Gas and Fuel $1 to $25⅜.

Railroads also were among the most outstanding performers. Chessie Systems, the parent company of the Chesapeake and Ohio Railroad, climbed $1¾ to $50½. Norfolk and Western jumped $3 to $65⅞.

Chemicals posted gains of more than $2 in many instances, while Steels and Motors were firm.

IBM moved ahead $6½ to $283 xd. Eastern Gas and Fuel rose $1 to $25¼, Phelps Dodge improved $1⅛ to $48¼, Eastman Kodak put on $2 to $130¼ and Dupont moved up $1¼ to $179¼.

Westinghouse gained $1⅛ to $31⅞ Kennecott Copper rose $2⅝ to $33⅜ and Xerox were up $1¼ to $144.

Ponderosa Systems added $1⅞ at $63¼ and General Electric advanced $3¼ to $66½.

Boeing, among volume leaders, dipped $⅜ to $18⅝ after a block of 150,700 shares crossed at $18⅞.

Ramada Inns also put on $½ to $8¼ on 171,600 shares, including a 155,000-share block at $8.

Prices also advanced in fairly heavy trading on the American SE, where the Market Value Index rose 1.05 to 105.36. Advances led declines by 420-to-222 in a volume of 1.98m. (1.4m.) shares.

Houston Oil and Minerals picked up $5¾ to $51¼—it entered into a letter of intent with Lone Star Gas to redetermine the price of gas from its North Point Bolivar Field.

## OTHER MARKETS

### Canada up again

Canadian Stock Markets further recovered in active trading yesterday morning.

The Industrial Index regained 0.84 to 231.40, Base Metals 0.96 to 107.85, Western Oils 4.02 to 277.52, Utilities 0.09 to 146.17, Banks 1.45 to 286.44 and Papers 1.52 to 151.68. Golds, however, eased 0.35 to 295.51.

Roman were up $1½ to $13½, Dennison Mines $1 to $49, Falconbridge Nickel $1¼ to $85½ and Home Oil "A" $1¼ to $53¾.

PARIS—Well maintained, particularly by the Oil sector which benefited from the Total Group's North Sea find and from unconfirmed rumours from London that Arab Nations are to raise the oil embargo.

Oils, Banks, Portfolios, Mechanicals, Foods, Electricals, Motors and Chemicals all recorded gains, Carrefour put on Frs.55 to Frs.3,000. Buildings, Stores and Metals also were narrowly higher.

Foreign issues were generally firm, with Americans, Germans, Dutch and Oils higher. But Golds eased, while Coppers and Canadians were mixed.

BRUSSELS—Generally higher on improved Middle East outlook. Electricals gained ground, while Chemicals were mixed.

Golds eased, but French, German, and Dutch stocks made headway. Imperial Oil, Exxon and Texaco were each higher.

AMSTERDAM — Market firmed led by Akzo, up Fls.3.7 at 67.7, Hoogovens, up Fls.3 at 88, Philips, up Fls. 2.2 at 39.5, and KLM, up Fls.2 at 79.5 in Dutch Internationals. Van Ommeren advanced Fls.14.5 to 362 and OCE rose Fls.8 to 239 in Local issues.

Sentiment was aided by the favourable figures reported by Hoogovens, Unilever and Shell, while Oil and Oil Related shares were pushed somewhat higher by unconfirmed rumours that the oil embargo has been lifted.

State Loans were firmer.

GERMANY—Markets firmed across a broad front, as activity rose on hopes of an imminent solution to the Midle East problem and unconfirmed reports that the present oil embargoes might soon be lifted.

Steels and Electricals gained up to DM3.50. Bayerische Vereinsbank, up DM11 at DM325, led Regional Banks higher. Metallgesellschaft put on DM9 to DM235.

In the Bond Market, the new Federal Loan, with its coupon of 9½ per cent., was generally well received and traded between banks at the issue price of 100.5 per cent. Mark Foreign Loans were easier.

OSLO—Downward trend in most sections.

VIENNA—Little change in moderate trading.

COPENHAGEN — Generally maintained, despite the Government's resignation.

MILAN—Mixed close in moderately active trading.

Bonds were actively higher.

SWITZERLAND — Narrowly irregular in very quiet trading, while awaiting further developments on the International scene.

Among very steady Banks, AG Leu and Kreditanstal each advanced somewhat while, in little changed Financials, Conti Linoleum "B" firmed. Insurances were barely changed. Among irregular Industrials, Lonza shed Sw.Frs.30 to Sw.Frs.1890. Nestle Registered dipped Sw.Frs.25 to Sw.Frs.2360.

State Bonds were quietly maintained.

Dollar stocks edged slightly higher in a generally active turnover. Dutch Internationals gained ground and Germans firmed in light volume.

TOKYO — Market advanced throughout the session in active trading. Volume 260m. (140m.) shares.

Teikoku Oil gained Y25 to 375, Arabian Oil Y200 to 4,250, Hokkaido Coal Y11 to 202 and Mitsui Coal Y15 to 418.

Sugar Refiners moved up, due to a sharp recovery on the domestic sugar market.

Non Ferrous Metals were well bought. Most registered notable gains in sales and profits for the six months to September.

Nippon Mining advanced Y21 to 244, Mitsui Mining and Smelting Y12 to 153 and Dowa Mining Y12 to 205.

Shippings also were in demand, attracted by results. Sanko Kisen gained Y20 to 1,100, Kawasaki Kisen Y11 to 215 and Yamashita Shinnihon Y12 to 210.

Sony rose Y100 to 4,530 and Pioneer 70 to 1,060.

AUSTRALIA — Prices drifted in dull trading. Industrials were weak, while Minings and Oils managed a rough balance of rises and falls.

Bougainville Copper picked up 3 cents to $A1.91. Kathleen Investments put on 2 cents to 83 cents. CRA lost 3 cents to $A2.92. Hamersley dipped 8 cents to $A1.45.

Peko Wallsend eased 2 cents to $A5.20, Great Boulder lost 3 cents to 70 cents. North Broken Hill shed 1 cent to $A1.38.

CSR lost 7 cents to $A4.06.

Bank of New South Wales reacted 4 cents to $A7.76. National were 5 cents down at $A3 after the profit announcement.

David Jones shed 1 cent to $A1.64.

Among Brewers, Tooheys were down 2 cents to $A1.98 but Tooths rose 2 cents to $A2.99.

National Bank climbed 5 cents to $A3.10, as did Waltons to $A2.07.

In Oils Woodside-Burmah eased 2 cents to $A1.16.

JOHANNESBURG—Gold shares closed steady at lower levels. Shares eased on a general lack of interest, but steadied during the afternoon on some small buying.

Platinums also steadied after initial easiness. Lydenburg traded at R202.

# Calmer conditions

The pound and the U.S. dollar made further headway against major currencies in general yesterday, but conditions in the foreign exchange market were appreciably calmer than on some other days recently. The pound's trade-weighted average depreciation since the Washington Currency Agreement of December, 1971 (against ten major currencies, including the dollar) narrowed to 17.30 per cent.—again reaching its lowest since September 3—from 17.38 per cent. on Wednesday. But in terms of the dollar, the pound fell on balance to $2.4182-2.4192, from the previous $2.4230-2.4240. The reported developments in the Middle East conflict, and in the question of oil supplies, had no clear effect on dealings in London. The pound ranged over the day from about $2.4175 to $2.4235.

The Dutch guilder fell narrowly on balance against the dollar, by 5 points to Fls.2.6240, while the German mark fell 95 points to DM2.5535, and the Swiss franc 15 points to Sw.Frs.3.1175, but there was a sharp, further decline in the French franc, which lost 350 points on commercial account, to Frs.4.3425. During dealings in Tokyo, the Japanese central bank was reported to have sold $100m. In London, the yen ended 5 points weaker on the day against the dollar, at Y275.05.

Gold recovered the previous day's $¾ an ounce loss in London, to end at $97½-$98½. Business was modest. The metal opened at Wednesday's closing level of $96¾-$97¾, but trended upwards over the day. The morning fixing was at $97.60 (£40.292), and the afternoon at $98.00 (£40.509). New sovereigns ended at $29½-$30½, and old at $33½-$34½, while double Eagles were $168-$170, single at $77-$79, and half at $44-$46, with 20-mark pieces at $40-$42.

## FOREIGN EXCHANGES

| Nov. 8 1973 | Bank Rate % | Market Rates: Day's Spread | Close |
|---|---|---|---|
| New York | 7¼ | 2.4175-4235 | 2.4182-4192 |
| Montreal | 6¾ | 2.4158-4180 | 2.4158-4168 |
| Amst'dam | 7 | 6.35-39 | 6.34-35 |
| †Brussels | 7 | 91.15-92.15 | 91.35-95 |
| Copen'gen | 8 | 14.21-14.35 | 14.23-25 |
| Frankf'rt | 7 | 6.17-6.23 | 6.17-18 |
| Lisbon | △5¾ | 57.50-58.50 | 57.95-58.05 |
| Madrid | ††9 | 137.25-38.50 | 137.9-138.4 |
| ⊕Milan | 6½ | 1,408-415 | 1,409-411 |
| Oslo | 4½ | 13.31-37 | 13.32½-34½ |
| ‡Paris | 11 | 10.49-59 | 10.49½-54½ |
| Stock'holm | 6 | 10.36-46 | 10.37-38 |
| Tokyo | 7 | 660-670 | 664-667 |
| Vienna | 5½ | 45.05-45.50 | 45.15-25 |
| Zurich | 4½ | 7.52-58 | 7.55½-56½ |

†† Basic discount. △ Bank of Portugal discount rate. † Rates given are for convertible francs closing financial franc 91.50-91.80. ‡ Rates given are for commercial franc; closing financial franc 10.68-10.74. ⊕ Rate given as commercial; closing financial rate 1,482-1,488.

## OTHER MARKET RATES

| | | Note Rates | |
|---|---|---|---|
| Argentina | 11.86-12.18 | Argentina | [illegible] |
| Australia | 1.6206-1.6337 | Austria | [illegible] |
| Brazil | 14.80-15.00 | Belgium | [illegible] |
| Finland | 8.83-8.90 | Brazil | [illegible] |
| Greece | 65.68-68.56 | Canada | [illegible] |
| H'ngK'ng | 12.27½-12.64 | France | [illegible] |
| Luxemb'g | 91.30-91.60 | Germany | [illegible] |
| Malaysia | 5.7757-5.8188 | Greece | [illegible] |
| N.Zeal'nd | 1.6420-1.6567 | Italy | [illegible] |
| Singapore | 5.9861-5.9546 | Japan | [illegible] |
| S. Africa | 1.6156-1.6334 | N'therl'ds | [illegible] |
| U.S. | | Spain | [illegible] |
| Canada | | Sw'tz'l'nd | [illegible] |
| C$=1U.S. | | U.S. | [illegible] |
| Cent. | [illegible] | | |

## EXCHANGE CROSS-RATES

| Nov. 8 | Frankfurt | New York | Paris | Brussels | London | Amsterdam | Zurich |
|---|---|---|---|---|---|---|---|
| Frankfurt | — | 2 558-560 | 58 75 85 | 6.745 755 | 6.190-195 | 97.15-25 | 81.90 92 |
| N.York | 39 02-07 | — | [illegible] 10-15 | 2.62 64 | 2.4215 4225 | 7.95-38.0 | [illegible] 00 05 |
| Paris (c) | 170.4) 75 | 4 33½-3462 | — | 11.470-535 | 10.505 525 | 15.72-88 | 136.0 10 |
| Brussels | 14 77 20 | 37.55 75 | 8 65 89 | — | 1.20 35 | 14.35 38 | 12.10-13 |
| London | 6.17 18 | 2.4182-92 | 10 49½ 50½ | 91 3 50 | — | 6.34-35 | 7 5½ 44 |
| Amst'dm | 103.095-145 | 2.6202 27 | 0.475 525 | 6.963 96½ | 6.251 65 | — | 84.175-225 |
| Zurich | 121 94 20 | 3.115 119 | 21 56 74 | 8.24½ 26½ | 7.5435 565 | 118.56-85 | — |

U.S. $ in Montreal 1.0016 18 Canadian $ in New York 0.9982 84. U.S. $ in Milan 582.60. Sterling in Milan 1411.80. (c) Commercial. *Rates for Nov. 7.

## EURO-CURRENCY INTEREST RATES ◆

| Nov. 8 1973 | Sterling | U.S. Dollar | Canadian dollar | Dutch guilders | W.German mark | Swiss franc |
|---|---|---|---|---|---|---|
| †Short-term | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 7 days' notice | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Month | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Three months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Six months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| One-year | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

Euro-French franc rates: two-days' notice 10½-10¾ per cent.; seven-days' notice 10½-10¾ per cent.; one-month 10½-11 per cent.; three months' 10¾-11¼ per cent.; six-months' 10½-10¾ per cent.; and 12-months' 10-10½ per cent.

Longer-term Euro-dollar rates were as follows: two years 8$\frac{11}{16}$-8$\frac{13}{16}$ per cent.; three years 8⅝-8¾ per cent.; four years 8$\frac{13}{16}$-8$\frac{15}{16}$ per cent.; and five years 8$\frac{13}{16}$-8$\frac{15}{16}$ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 9$\frac{9}{16}$-9$\frac{7}{16}$ per cent.; three-months' 9$\frac{9}{16}$-9$\frac{7}{16}$ per cent.; six-months' 9$\frac{5}{16}$-9$\frac{3}{16}$ per cent.; one year 8¾-8½ per cent.

◆ Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars are two days' notice for guilders, marks and Swiss francs.

## FORWARD RATES

| | One month | Three months |
|---|---|---|
| New York | 0.66-0.56 c.pm. | [illegible] |
| Montreal | 0.75-0.60 c.pm. | [illegible] |
| Amsterdam | [illegible] | [illegible] |
| Brussels | 30-10 c.pm. | 95-75 c.pm. |
| Copenh'n | 7-2 ore pm | 2 ore pm-3 dis |
| Frankfurt | 2½-1½ pf pm | 7½-6½ pf pm |
| Lisbon | 75 c.pm-par | 230-80 c. pm |
| Milan | 4 lire pm 1 dis | 7-1 lire pm |
| Oslo | 1 ore pm-2 dis. | 6-3 ore pm |
| Paris | 1½-½ c. pm | 5¼-4¼ c. pm |
| Stockholm | 6-3 ore pm | 13½-11½ ore pm |
| Vienna | 50 gro. pm-par | 110-40 gro pm |
| Zurich | 5-4 c. pm | 13 12 c. pm |

Six-month forward dollar 4.65-4.55 c.pm and 12-month 9.60-9.50 c.pm.

## Indices

### NEW YORK

#### DOW JONES AVERAGES

| Close | Home Bonds | Transport † | Indus * | Util. ⊕ | Trading volume* 000's |
|---|---|---|---|---|---|
| Nov. 7 | 72.94 | 180.83 | 920.08 | 97.20 | 16,570 |
| 6 | 72.85 | 173.71 | 913.08 | 96.95 | 16,430 |
| 5 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 2 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 1 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Oct. 31 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 30 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 29 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 26 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 25 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 24 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 23 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 22 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 19 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 18 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 1973 High | [illegible] | [illegible] | [illegible] | [illegible] | |
| Low | [illegible] | [illegible] | [illegible] | [illegible] | |

* All-time high 1051.70 (11/1/73). ‡ All-time high 279.88 (7/2/69). ⊕ All-time high 163.32 (20/4/65). † Excluding bonds.

#### IND. DIVIDEND YIELD p.c.

| Nov. 2 | Oct 26 | Nov. 3 1972 |
|---|---|---|
| 3.62 | 3.48 | 3.18 |

#### N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

| 1973 High | Low | Wed. | Tues. | Mon. | Fri. | Thurs |
|---|---|---|---|---|---|---|
| 65.48 | 55.[illegible] | 58.74 | 56.55 | 55.71 | 57.51 | 57.94 |
| (11/1) | (6/7) | | | | | |

#### RISES AND FALLS

| | Wed. | Tues. | Mon. | Fri. | Thurs |
|---|---|---|---|---|---|
| Issues traded | 1,798 | [illegible] | [illegible] | [illegible] | [illegible] |
| Rises | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Falls | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Unchanged | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| New Highs | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Lows | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

#### AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

| 1973 High | Low | Wed. | Tues. | Mon. | Fri. | Thurs |
|---|---|---|---|---|---|---|
| 108.82 | 98.[illegible] | 104.31 | 104.12 | 105.11 | 106.58 | 105.58 |
| (12/10) | (17/[illegible]) | | | | | |
| Volume (000's) | | 2,736 | 3,010 | 2,759 | 2,721 | 2,880 |

#### STANDARD AND POORS U.S. STOCK INDICES

| | *Ind. Ord. | †Composite |
|---|---|---|
| Nov. 7 | 118.84 | 105.80 |
| 6 | 117.91 | 104.96 |
| 5 | 118.54 | 105.52 |
| 2 | 120.34 | 107.07 |
| 1 | 121.05 | 107.69 |
| Oct. 31 | 121.72 | 108.29 |
| 30 | 122.93 | 109.33 |
| 1973 High | 134.08 (5/1) | 120.17 (5/1) |
| 1973 Low | 113.97 | 104.96 |

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

#### STOCK AND BOND YIELDS

| | Oct. 31 | Oct. 24 | Nov. 2 1972 |
|---|---|---|---|
| Ind. Ord. yield pc | 2.82 | 2.78 | 2.82 |
| Ind. Ord. p/e ratio | 15.62 | 15.83 | 18.37 |
| Long-term Govt. Bds. pc | 6.88 | 6.90 | 5.85 |

#### WEDNESDAY'S ACTIVE STOCKS

| | Stocks traded | Closing price | Change on day |
|---|---|---|---|
| Levitz Furniture | 543,100 | [illegible] | [illegible] |
| Middle S. Ut. | 307,300 | [illegible] | [illegible] |
| Fairchild Camera | 225,500 | [illegible] | [illegible] |
| General Motors | 194,600 | [illegible] | [illegible] |
| Va. El. Pw. | 181,500 | [illegible] | [illegible] |
| House Finance | 177,100 | [illegible] | [illegible] |
| Bausch and Lomb | 172,700 | [illegible] | [illegible] |
| Bristol Myers | 164,000 | [illegible] | [illegible] |
| Schlm Mfg. | 149,800 | [illegible] | [illegible] |
| Westinghouse Elec. | 146,300 | [illegible] | [illegible] |

### TORONTO

#### INDUSTRIAL INDEX

| Nov. 7 | Nov. 6 | 1973 High | 1973 Low |
|---|---|---|---|
| 228.56 | 229.60 | 237.93 (29/10) | 202.48 (23/8) |

### MONTREAL

#### INDUSTRIAL INDEX

| Nov. 7 | Nov. 6 | 1973 High | 1973 Low |
|---|---|---|---|
| 229.33 | 229.95 | 271.31 (11/1) | 208.83 (22/8) |

#### COMBINED INDEX

| Nov. 7 | Nov. 6 | 1973 High | 1973 Low |
|---|---|---|---|
| 229.79 | 229.16 | 249.15 (11/1) | 206.83 (22/8) |

### JOHANNESBURG

| | Nov. 8 | Nov. 7 | High | Low |
|---|---|---|---|---|
| Industrials | 273.1 | 273.1 | 291.1 (18/7) | 246.5 (2/10) |
| Gold | 198.6 | 198.1 | 227.7 (6/11) | 151.9 (31/10) |

(1958=100.) Source: Rand Daily Mail.

#### MELBOURNE YIELDS

| Av'ge yield on 50 Leading Stocks | Nov. 5 | Nov. 1 | Oct 25 |
|---|---|---|---|
| On Dividends | 5.60 | 5.20 | 5.36 |
| On Earnings | 8.87 | 8.71 | 8.86 |

#### SYDNEY ALL ORD. INDEX

| Nov. 8 | Nov. 7 | High 1973 | Low 1973 |
|---|---|---|---|
| 485.95 | 486.67 | 587.28 (19/1) | 458.68 (4/1) |

#### HONG KONG INDEX*

| Nov. 8 | Nov. 7 | High 1973 | Low 1973 |
|---|---|---|---|
| 613.74 | 578.65 | 1,774.96 (9/3) | 491.77 (12/10) |

#### SINGAPORE INDEX§

| Nov. 8 | Nov. 7 | High 1973 | Low 1973 |
|---|---|---|---|
| 351.61 | 349.58 | 611.36 (13/2) | 289.71 (4/8) |

#### TOKYO NEW SE INDEX†

Base=100 January 4, 1968.

| Nov. 8 | Nov. 7 | Div. % | Yield % |
|---|---|---|---|
| 345.98 | 344.95 | 11.90 | 2.05 |
| 1973 | | High 422.43 (24/1) | Low 340.11 (26.4) |

* New index.

### EUROPE

| | Nov 8 | Previous | 1973 High | 1973 Low |
|---|---|---|---|---|
| Belgium (a) | 136.35 | 134.94 | 142.53 (22/6) | 125.1 (2/1) |
| Denmark (d) | 114.71 | 113.86 | 128.95 (10/8) | 112.37 (6/11) |
| France (a) | 87.9 | 88.6 | 98.9 (4/5) | 79.5 (8/1) |
| Germany (c) | 96.94 | 94.98 | 101.71 (23/5) | 89.90 (27/7) |
| Holland (a) | 142.9 | 140.4 | 171.9 (15/4) | 137.4 (6/11) |
| Italy (b) | 124.60 | 123.12 | 147.28 (19/6) | 111.22 (16/2) |
| Sweden (c) | 363.39 | 369.25 | 389.84 (10/7) | 342.41 (11/10) |
| Switzerland (a) | 364.5 | 366.5 | 460.1 (21/1) | [illegible] |

* Bankers' Index Base Dec. 31, 1958. † Base 100 Jan. 2, 1973. — Swiss Bank Corporation Index base 100 Dec., 1968. (c) Closed. (d) Base 1963. (e) Base 100 1962. (a) Base Dec. 29, 1956. (ab) Paris Bourse Committee, base 100 1961. (c) Base 100 January 1, 1973. † Base 100 Jan. 4, 1968. ‡ Hang Seng Bank, base 100 July 31, 1964. § Straits Times Index, base 100 1966.

# OVERSEAS SHARE INFORMATION

Investment $ premium based on $2.60 per £1—33½% (33¾%). Conversion factor 0.8062 (0.8081).

## NEW YORK

| Stock | Nov. 7 | Nov. 6 |
|---|---|---|
| Acme Markets | 24⅝ | 25 |
| Addressograph | 13⅞ | 13 |
| Adobe | 11⅝ | 11½ |
| Aetna Life & Cas. | 71½ | 71 |
| Control Data | [illegible] | [illegible] |
| Copper Range | [illegible] | [illegible] |
| Corning Glass | [illegible] | [illegible] |
| CPC International | [illegible] | [illegible] |
| Crane | [illegible] | [illegible] |
| Creole Petroleum | [illegible] | [illegible] |
| Crocker Nat. C.P. | [illegible] | [illegible] |

## CANADA

| Stock | Nov. 7 | Nov. 6 |
|---|---|---|
| [illegible] | [illegible] | [illegible] |

## GERMANY ◆

| Nov. 8 | Prices Dm | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| A.E.G. | 111 | +3.5 | 10 | 4.5 |
| Allianz Versich. | 490 | +5 | 15 | 1.5 |
| B.M.W. | 224.5 | +4.5 | 18 | 3.6 |
| BASF | 137.6 | +4 | 15 | 5.5 |
| Bayer | 118.3 | +2.8 | 14 | 5.9 |
| Bayer Hypo | 313 | +6 | 20 | 3.2 |
| Bayer Vereinsbk. | 321 | +11 | 20 | 3.1 |

## AMSTERDAM

| Nov. 8 | Price Fls. | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| Ahold (Fl.20) | 110 | +1 | 22 | 4.0 |
| Akzo (Fl.20) | 67.7 | +3.7 | 18 | 5.4 |
| Alg Bk Ned Fl.100 | 309 | +2 | 18 | 5.8 |
| AMAS (Fl. 10) | 50 | | — | — |
| Amro Bank (Fl.20) | 71.5 | +0.7 | 18 | 5.0 |
| Van Berkels (Fl.50) | 189 | +2.8 | 15 | 3.9 |
| Bijenkorf (Fl. 20) | 97.5 | +1 | 21 | 4.3 |
| Boka Westm (Fl.10) | 91.5 | +1.5 | 48 | 5.2 |

## BRUSSELS

| Nov. 8 | Price Frs. | + or — | Div. Frs. | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## PARIS

| Nov. 8 | Price Frs. | + or — | Div. Frs. | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## SWITZERLAND ●

| Nov. 8 | Price Frs. | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## MILAN

| Nov. 8 | Price Lire | + or — | Div. Lire | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## STOCKHOLM

| Nov 8 | Price Kroner | + or — | Div. Kr. | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## AUSTRALIA

| Nov. 8 | Aus $ | |
|---|---|---|
| Acrow Australia | 0.95 | — |
| Adelaide Brighton Cem't 50c | 1.52 | — |
| Allied Mnfg. Trdg. Indus. $1 | †2.78 | -0.02 |
| Ampol Explorations | 0.87 | -0.01 |
| Ampol Petroleum | 0.66 | -0.01 |
| Assoc. Minerals | 2.69 | +0.04 |
| Assoc. Portland Cement | 1.19 | +0.01 |
| Assoc. Pulp Paper ($1) | 1.42 | -0.01 |

## TOKYO ¶

| Nov. 8 | Price Yen | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

Source Nikko Securities, Tokyo.

## COPENHAGEN

| Nov. 8 | Price Kroner | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## OSLO ◆

| Nov. 8 | Price Kroner | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## VIENNA

| Nov. 8 | Price % | + or — | Div. % | Yld. % |
|---|---|---|---|---|
| Creditanstalt | 390 | | 10 | [illegible] |
| Perlmooser | 419 | | 12 | [illegible] |
| Selecta | 848 | | 60 | [illegible] |
| Semperit | 346 | -2 | 9 | [illegible] |
| Steyr Daimler | 196 | +1 | 10 | 5 |
| Veit Magnesit | 363 | | 23 | 8 |

## JOHANNESBURG

### MINES

| Nov. 8 | Rand | + or — |
|---|---|---|
| [illegible] | [illegible] | [illegible] |

### INDUSTRIALS

| Nov. 8 | Rand | + or — |
|---|---|---|
| [illegible] | [illegible] | [illegible] |

## SPAIN ▼

| Nov. 8 | Per cent | + or — |
|---|---|---|
| [illegible] | [illegible] | [illegible] |

NOTES: Overseas prices [illegible]

# STOCK EXCHANGE REPORT

# Markets stage broad rally on Mid East peace hopes

## [I]ndex gains 5.9 at 428.8—Beecham up on excellent profits

[A]CCOUNT DEALING DATES

| Option First Dealings | Declarations | Last Dealings | Account Day |
|---|---|---|---|
| [Oct.] 29 | Nov. 8 | Nov. 9 | Nov. 20 |
| [No]v. 12 | Nov. 22 | Nov. 28 | Dec. 4 |
| [Nov.] 26 | Dec. 6 | Dec. 7 | Dec. 18 |

" New time " dealings may take place [from 9.30 a.m.] 5 p.m. three business days earlier.

[Lo]ndon Stock Markets took a [tur]n for the better yesterday fol[low]ing the acceptance by Egypt [and] Israel of peace moves insti[gat]ed by Dr. Kissinger. The news, [whi]ch overshadowed the decision [of] mineworkers to ban overtime [fro]m next Monday, gave equity [mark]ers a fresh boost towards the [clos]e. Sentiment earlier in the [day] hinged on broad hints that [the] peace moves would be [acce]pted and prices were helped [by] marking up and closing of [sho]rt positions near the end of [the] Account, genuine business [bei]ng fairly small. The F.T. 30-[sha]re index closed 5.9 up at 428.8. [Gilt]s also scored widespread gains [whi]ch were reflected in an [imp]rovement in the 20-year [Gov]ernment Stocks index from [6]2-62.41.

[S]entiment in equities was also [help]ed by the excellent interim [figu]res from Beecham, which rose [9p t]o 296p. Boots, whose interim [figu]res were also very good, re[flect]ed more the bid situation [in] House of Fraser and, after [risin]g to 267p on the trading [state]ment, closed a net 4p down [at 2]58p; Fraser lost 7p more to [13]6p. Elsewhere, speculation in [bid] situations, both actual and [rum]oured, commanded a lot of [inte]rest and led to a fair amount [of] " new-time " buying for the [Acco]unt starting next Monday. [...], naturally enough, were good [and] the F.T.-Actuaries share index [for] the subsection rose 3.3 per [cent.] to 274.74.

### [Gil]ts more active

[M]arkings, at 8,519, were a little [high]er than Wednesday's 8,133, [whil]e rises led falls (2 : 1) in F.T.-[quot]ed Industrials for the first [time] in eight business days.

[A] more optimistic reading of [the] Middle East situation [enco]uraged opening firmness in British Funds. Buyers were quick to endorse this opinion and all sections of the market began to trade actively with the shorts possibly attracting the larger share of the business. Finally, short-dated issues showed rises extending to 1/16, as in Treasury 6½ per cent., 1977, at 88¼. Although closing gains in mediums and longs were a little more, ranging to ⅜, part of the interest here represented bear-covering after the recent easiness. Undated stocks were usually ¼ better, while Corporations recovered ¼ in places.

A well balanced trade in investment currency ended with the premium ¼ higher at 33⅞ per cent., after 33⅝ per cent. Yesterday's USE conversion factor was 0.8062 (0.8081).

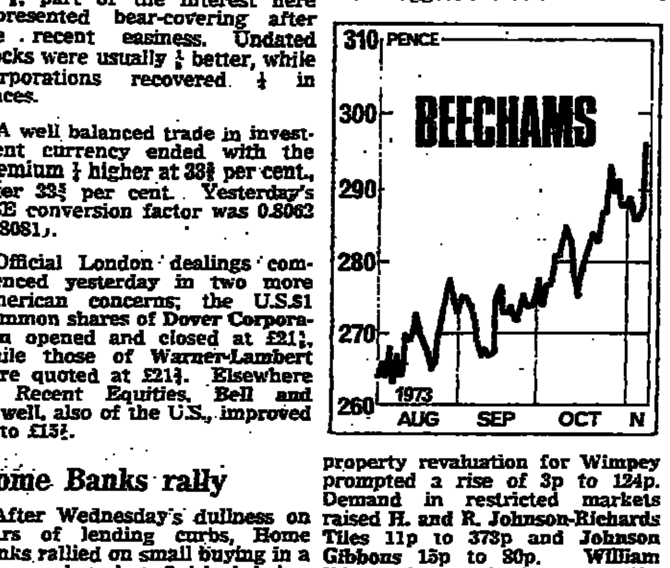
Official London dealings commenced yesterday in two more American concerns; the U.S.$1 Common shares of Dover Corporation opened and closed at £21¼, while those of Warner-Lambert were quoted at £21¾. Elsewhere in Recent Equities, Bell and Howell, also of the U.S., improved ⅛ to £15½.

### Home Banks rally

After Wednesday's dullness on fears of lending curbs, Home Banks rallied on small buying in a thin market, but finished below the best with net gains of about 5p. Among Overseas issues, Hong-Kong and Shanghai recorded an advance of 17p at 332p, while National Bank of Australasia showed satisfaction with the profits expansion with a rise of 11p at 236p. Commercial Banking of Sydney were quoted ex "rights" at 198p with the new nil-paid at 45p premium. Discount houses remained generally static, but Cater Ryder, 310p, picked up 5p of the previous day's 15p fall on the first-half setback. In Hire Purchases, Hodge Group hardened 1½p to 60p, still awaiting news of the bid talks with Standard and Chartered. Insurances tended to improve modestly, although business was still very thin.

A reasonable day's trading was seen in Breweries where further consideration of the half-yearly statement caused a rally of 2p to 86½p in Whitbread 'A.' Speculative interest was again shown in Scottish and Newcastle which ended 1p better at 85p.

Among quietly firm Buildings, Rovis were outstanding at 256p, up 11p, following some sizeable "new-time" demand. London Brick hardened 2½p to 59p, while Press suggestions of an imminent



property revaluation for Wimpey prompted a rise of 3p to 124p. Demand in restricted markets raised H. and R. Johnson-Richards Tiles 11p to 373p and Johnson Gibbons 15p to 80p. William Whittingham gained 2p at 140p following Press comment.

ICI improved 4p to 243p.

House of Fraser remained a nervous market on fears of a reference of the Boots bid to the Monopolies Commission and touched 133p before rallying to close 7p lower on the day at 136p for a two-day fall of 14p. Scottish and Universal Investments lost 9p more to 187p, after 182p. Better at 265p ahead of the interim statement, Boots touched 267p briefly on the news before slipping back to close 4p easier on balance at 258p, which values the Fraser shares at about 174p. Elsewhere, Stores moved into higher ground, with Marks and Spencer 3p better at 256p, after 258p, and "Gussies" "A" 4p dearer at 241p, after 243p. Buying in a thin market raised British Home Stores 8p to 281p. N. Brown Investments moved up 4p more to 67p ahead of next Wednesday's interim results. By way of contrast, Debenhams were dull again, losing 3p at 120p, while J. Collett lost 4p at 146p on the bigger trading deficit.

*Philips' Lamp staged a recovery* of 50p to 780p on rumours that the Arab oil embargo on Holland is to be lifted. Leading Electricals enjoyed firmer conditions throughout the list, although business remained very quiet and closing quotations were a shade below the best. GEC improved to 152p before closing a net 4p better at 150p, while EMI finished 3p up at 165p. Prominently better in secondary issues were Fidelity Radio, up 9p at 117p, reflecting small buying in a narrow market.

### Metal Box up

Hoping for a good set of interim figures next Thursday, buyers came for Metal Box which closed 13p up at 271p. Other leading Engineerings also took on a more cheerful appearance, GKN, 286p, *Hawker Siddeley*, 379p, and Tube Investments, 376p, all gaining 5p. Trading news stimulated Marlonair, 5p higher at 176p, Metropole Industries, a further 5p dearer at 77p, and Concentric, which hardened 1p to 40p. Birmid Qualcast regained 1½p at 71p, but Averys lost 4p more to 107p, after starting at 104p, the latter still reflecting the interim profits setback. Awaiting the interim statement, Capper-Neill slipped 2p to 42p. Elsewhere, Press comment lifted Stothert and Pitt 8p to 179p, while rises of 6p were seen in both Anglo-Swiss, 80p, and Ransomes Sims, 213p. Central Wagon traded briskly again and closed 3½p up at 50p. Shipbuildings also figured prominently, Yarrow rising to 140p before ending 8p higher on balance at 132p; the interim results are due on November 19, but optimism was also being expressed about prospects for the naval Frigate 22. Hawthorn Leslie advanced 5½p to 137p and Swan Hunter 5p to 178p.

Still on the increased dividend, Cavenham rose 7p more to 170p. Oriel Foods improved 7p to a 1973 " high " of 180p, while Fitch Lovell, 80p, and Bernard Matthews, 138p, put on 5p apiece.

Hazlewoods became an erratic market, touching 80p in active trading before reacting to close 4p better on the day at 70p. Meat Trade Supplies closed 3p firmer at 64p and Crosfields and Calthrop 4p dearer at 57p. J. B. Eastwood were active and 3p better at 102p, but higher profits failed to stimulate FMC which ended 2p off at 79p. Baxters at 112p, after interim results. Sayers (Confectioners) were called sharply lower at 22½p following late news of the overstatement of assets and the gloomy remarks on current trade. In Supermarkets, Tesco closed 2p firmer at 57½p.

Among the miscellaneous Industrial leaders, Beecham responded well to the good half-yearly figures by rising 9p to 296p, while further consideration of the results for the third quarter left Unilever 14p to the good at 351p with the N.V. ⅜ higher at £14½. Turner and Newall firmed 5p to 176p ahead of the Government debate on Rhodesian sanctions. Elsewhere, the main feature was provided by a jump of 31½p to 120p, after 122p, in A.W. (Securities) on news of the surprise bid of 128p cash per share from Champion International Corporation of the U.S. Demand was seen for Hay's Wharf which advanced 13p to 423p along with A.V.P., 9p to the good at 104p. Following trading statements, United City Merchants improved 2p to 47p, after 49p, and Wood Hall Trust ended similarly higher at 133p. Awaiting news of the possible bid from Dresser, " new-time " demand was seen for Universal Grinding which ended 6p to the good at 121p. Gains of around 8p were seen in Consolidated Commercial, 168p, Hanson Trust, 130p, Gomme Holdings, 142p, and Westminster and Country Properties, 128p, while continued speculative buying prompted a fresh gain of 5p to 96p in Negretti and Zambra. G.R. Holding gained 5p more to 380p on the results and Lonsdale Universal firmed a like amount to 112p following news of the proposed acquisition of Henry White.

In Motors, British Leyland ended ½p firmer at 24½p and Dunlop 1p better at 71p. General Motors, still reflecting dividend news, picked up 4p more at 160p. Automotive Products were active and 4½p higher at 83½p, while revived interest lifted Supra Chemicals 7p to 64p. In Garages, Jessups responded to the sharply higher profits by rising 2p to 32p. Henlys, however, came back 5p to 233p and Hartwells, on further consideration of the interim results, gave up 3p at 74p.

Noteworthy features in Paper/Printings were few, but Culter Guard Bridge rose to 50p before closing 2p higher on balance at 48p; the interim results are due next Friday.

Quite a brisk demand developed for Properties after the recent bout of profit-taking and at the close prices recorded some fairly substantial gains. Star (Great Britain) firmed another 5p to 164p, while Town and City added a similar amount to 109p. On the other hand, Land Securities eased afresh to 262½p on further profit-taking before picking up to finish only 2p easier on the day at 264p. Outside of the leaders, Town and Commercial featured with a rise of 13p at 159p and Haslemere were similarly better at 400p. Berkeley improved 10p to 362p, while Country and New Town, ended 4½p better at 62p, after 64p. Maybrook rose 7p to 155p and Artagen 4p to 174p. Still reflecting satisfaction with the results, North British improved 5p more to 137p.

### Oils fairly strong

The Royal Dutch/Shell better-than-expected third quarter earnings together with unconfirmed rumours that the Arab embargo on Dutch oil supplies had been lifted provoked good demand for the Oil leaders. Shell moved actively forward to close 10p higher at the day's best of 256p and Royal Dutch regained ½ to £19. British Petroleum were also in form and rose 16p to 558p, after 560p, while Burmah caught up with a gain of 14p to 432p; the latter's Warrants jumped 12p to 144p. Ultramar joined in too, rising 7p to 233p, but Tricentrol ended 5p lower at 194p after starting weakly at 185p on fears that the share capital would be watered down on the acquisition of a Dutch builders merchant.

Shippings saw a better business and closed firm on hopes of an early end to the oil ban. P & O, still reflecting the property revaluation news, advanced 9p further to 338p, while renewed demand lifted Lofs 5p to 93p. Small buying in front of the results, due soon, raised Sheaf 5p to 262p.

After falling to 133p in the early trade on fading bid hopes, Northborough Investment rallied sharply to close 5p better on balance at 148p. Other Trusts to attract interest included Jardine Securities, 6p up at 122p, and London Merchant, 8p to the good at 128p.

A little more interest was shown in Textiles. S. Lyles continued firmly at 98p, up 2p, while Stoddard "A" improved 4p to 113p after the chairman's statement at the annual meeting. Courtaulds gained 3p to 147p and similar rises were marked against Sidlaw, 87p, and Parkland "A," 64p.

Trading became a little more lively in Teas. West Nile improved 10p to 360p, Cessnock 8p to 210p, and Teith 5p to 425p, but bidders James Finlay remained reactionary and declined 15p more to 435p for a three-day fall of 50p. Chubwa were outstandingly better in a thin market with an advance of 20p to 60p but Assam Frontier shed 3p to 64p and Clairmace, after Wednesday's 5p loss, eased 2p more to 58p. Rubbers were inclined to harden a shade more. Bukit Mertajam put on 3p to 51p, while Sungei Bahru, on the increased dividend and profits, gained 1p at 23½p.

### Setback in Golds

A dearth of buying interest was the main factor behind the decline in Gold shares despite a recovery of 75 cents to $98 in the free market metal price. Any hopes of after-hours U.S. interest were dashed by the fresh strength of Wall Street and the Index closed 2.3 off at 147.1. Falls were widespread and ranged to 15p in President Steyn (800p) and East Rand Proprietary (350p). Among numerous 10p losers were Kinross (216p) and Kloof (620p).

Cape offerings coupled with fears that the oil shortage in the U.S. might cause some delay in the proposed anti-pollution legislation unsettled Platinums where Potgietersrust were 6p off at 178p. "Johnnies," however, were a further ¼ up at £18¼.

In Financials, Rand Selection were steady at 700p in front of the higher full year's profit and dividend which were announced after market hours. Lonrho touched 97p owing to " new-time " buying before ending a net 5p up at 94p.

De Beers recovered sharply after the recent setback caused by Continental selling, the shares rallying 10p to 329p.

Australian issues held relatively steady in the face of further losses in overnight home markets. Hampton Areas attracted speculative interest, the shares touching a year's high of 188p before ending 8p up on balance at 184p. Acmex (21p) and Acmin (18p) were little moved following their respective reports while a rather uninspiring annual emanation from Poseidon left the shares 5p off at 420p.

Only Palabora, 5p higher at 550p, showed any response to the record copper price. In Tins, Sungei Besi were 3p lower at 80p following the forecast of reduced profits for the second half of the year. Elsewhere, Tara (605p) and Northgate (240p) both recovered 10p.

## FINANCIAL TIMES STOCK INDICES

| | Nov. 8 | Nov. 7 | Nov. 6 | Nov. 5 | Nov. 2 | Nov. 1 | A Year ago |
|---|---|---|---|---|---|---|---|
| Government Secs. | 65.05 | 64.79 | 64.97 | 65.06 | 65.54 | 65.22 | 72.71 |
| Fixed Interest | 65.20 | 65.15 | 65.27 | 65.24 | 65.54 | 65.28 | 74.28 |
| Industrial Ordinary | 428.8 | 422.9 | 425.3 | 424.4 | 431.5 | 451.0 | 476.0 |
| Gold Mines | 147.1 | 149.4 | 150.4 | 149.3 | 148.7 | 147.1 | 86.6 |
| Ord. Div. Yield % | 4.42 | 4.47 | 4.41 | 4.41 | 4.54 | 4.34 | 3.43 |
| Earnings Yld % (full) | 9.98 | 10.12 | 10.06 | 10.08 | 9.92 | 9.91 | †5.53 |
| P/E Ratio (net) (a) (b) | 15.61 | 13.42 | 15.50 | 15.47 | 15.69 | 15.70 | †16.08 |
| Dealings marked | 8,519 | 8,133 | 8,658 | 8,903 | 7,885 | 7,180 | 9,047 |

*10 a.m. 424.7 11 a.m. 425.3 Noon 427.4 1 p.m. 428.2 2 p.m. 428.4 3 p.m. 428.1

Latest Index 01-246 8026

(a) Based on 50 per cent. corporation tax. (b) Nil=13.37. † On old basis.

## HIGHS AND LOWS

| | 1973 High | 1973 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|
| Govt. Secs. | 72.08 (22/1) | 63.16 (6/9) | 127.4 (9/1/35) | 63.16 (6/9/73) |
| Fixed Int. | 73.85 (25/1) | 63.67 (6/9) | 150.4 (28/11/47) | 63.67 (6/9/73) |
| Ind. Ord. | 509.5 (10/1) | 404.8 (3/9) | 543.6 (19/5/72) | 49.4 (26/6/40) |
| Gold Mines | 203.6 (6/6) | 93.6 (19/1) | 203.6 (6/7/73) | 43.5 (28/10/71) |

Basic 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

## S.E. ACTIVITY

| | Nov. 7 | Nov. 6 |
|---|---|---|
| Daily— | | |
| Gilt Edged | 147.7 | 145.8 |
| Industrials | 287.6 | 266.5 |
| Speculative | 95.9 | 86.4 |
| Totals | 193.9 | 185.1 |
| 5-day Av.— | | |
| Gilt Edged | 138.9 | 132.9 |
| Industrials | 275.3 | 265.4 |
| Speculative | 91.8 | 88.6 |
| Totals | 191.6 | 165.5 |

## FT—ACTUARIES INDICES

| | Nov. 8 | Nov. 7 | Nov. 6 | Nov. 5 | Nov. 2 | Nov. 1 | A Year ago |
|---|---|---|---|---|---|---|---|
| Industrial Group | 175.14 | 173.50 | 173.91 | 175.00 | 176.59 | 176.44 | 199.52 |
| 500 Shares | 183.81 | 181.58 | 182.10 | 182.65 | 185.23 | 185.15 | 207.29 |
| Div. Yield pc. | 4.15 | 4.19 | 4.17 | 4.16 | 4.10 | 4.10 | 3.52 |
| P/E Ratio (net) | 14.74 | 14.58 | 14.62 | 14.68 | 14.87 | 14.86 | †16.92 |
| All Share | 185.69 | 183.57 | 184.28 | 185.29 | 186.85 | 186.51 | 208.34 |
| Consols Yield pc. | 11.42 | 11.6 | 11.41 | 11.41 | 11.55 | 11.55 | 9.57 |

† On old basis

## [AU]THORISED UNIT TRUSTS (p★★★)

(g) Abacus Arbuthnot Ltd.

[F]ountain St., M/C. 061-236 9775/8.

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| [Capital Un]its | 39.5 | 42.5 | — | 2.66 |
| [Capital Un]its Accum. | 39.9 | 42.9 | — | 2.56 |
| [Gro]wth Units | 32.3 | 35.3 | — | 2.42 |
| [Gro]wth Accum. | 32.6 | 35.6 | — | 2.42 |
| [Inco]me Units | 37.1 | 40.1 | — | 5.30 |
| [Inco]me Acc. Uts. | 37.6 | 39.6 | — | 5.30 |
| [Inter]national Acc. | 23.8 | 24.8 | −0.7 | 2.30 |

(a) (g) The Crescent Group

Crescent Unit Trust Managers Ltd.

4, Melville Cres., Edinburgh 3. 031-226 4931

21, Spring Gardens, Manch. 061-832 3066

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| Crescent Growth | 32.7 | 34.4 | +0.2 | 1.67 |
| Cres. Internat'l. | 43.9 | 46.2 | −0.4 | 0.10 |
| Cres. High Dist. | 41.1 | 43.3 | +0.2 | 4.99 |
| Cres. Reserves | 37.2 | 39.2 | +0.3 | 2.71 |

(a) J L Consumer Fund Mngrs.

72-80, Gatehouse Rd., Aylesbury. Aby. 5941

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| (b) J. L. Ins. Fund | 29.0 | 31.0 | — | 1.42 |

(a) (g) Key Fund Managers Ltd.

25, Milk Street, EC2V 8JE. 01-606 7070

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| Key Capital Fund | 65.5 | 68.9 | +0.1 | 2.80 |
| Key Exempt Fund | 97.9 | 103.0 | — | 4.82 |

(a) National Westminster

41, Lothbury, EC2P 2BP. 01-837 8044

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| Capital (Accum.) | 50.9 | 53.7 | +0.5 | 2.74 |
| Income | 28.8 | 30.4 | +0.2 | 4.43 |
| Financial | 35.2 | 37.2 | +0.3 | 2.81 |
| Growth Inv. | 76.8 | 81.4 | +0.7 | 3.32 |

(a) (g) NEL Trust Managers Ltd.

(g) Sebag Unit Tst. Managers Ltd.

PO Box 511, Bcklry. Hse., ECA. 01-236 5000

| | Bid | Offer | +or- | § Yield % |
|---|---|---|---|---|
| Sebag Capital Fd | 24.5 | 25.4 | +0.1 | 2.70 |
| Sebag Income Fd | 24.0 | 24.9 | — | 5.20 |

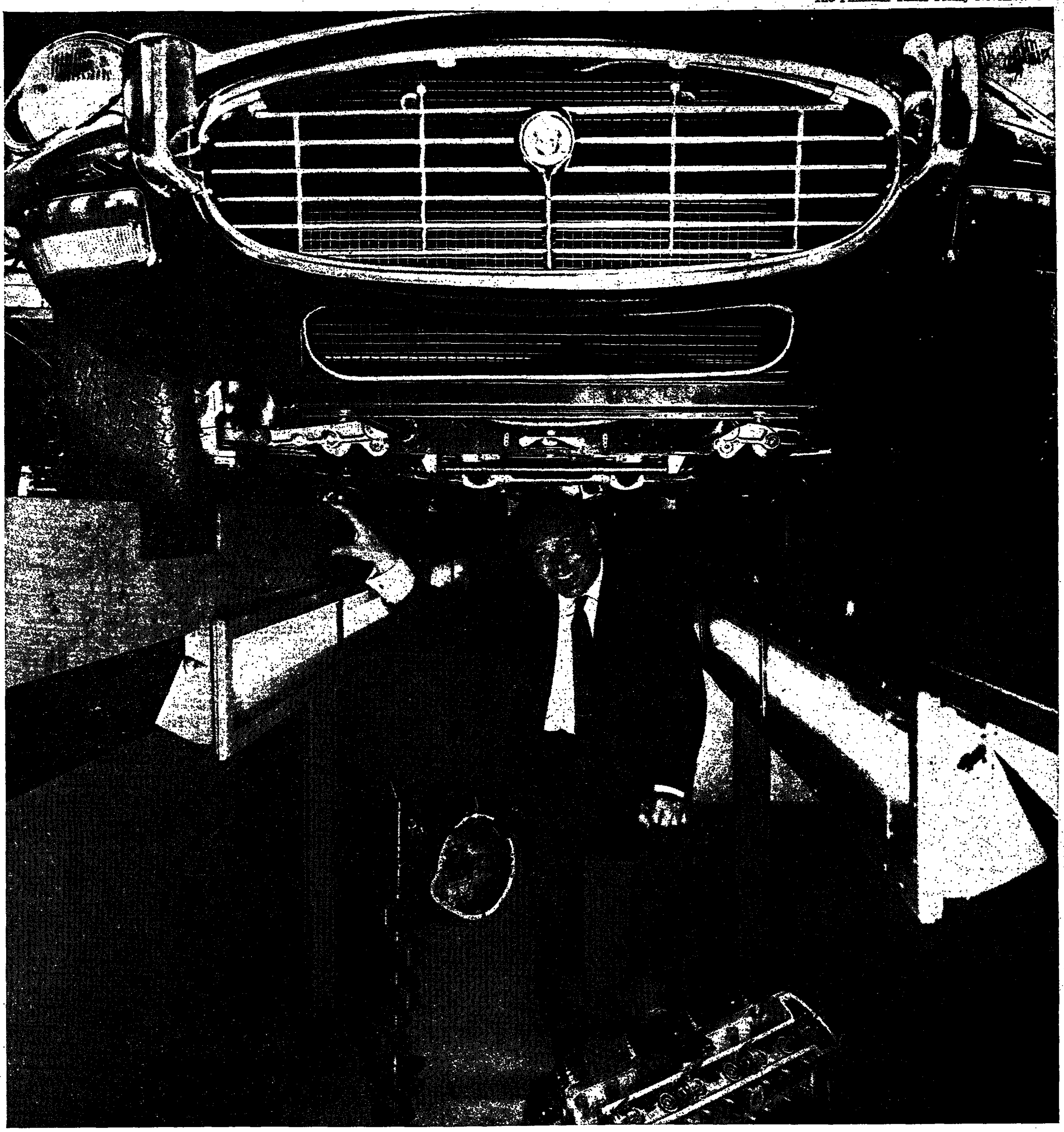
Not available to public generally.

(a) Security Selection Ltd.

29, Mincing Lane, EC3R 7EE. 626 3631

[INSURANCE, PROPERTY, BONDS PRICES PAGE 41]

## OFFSHORE AND OVERSEAS FUNDS (p★★★)



# Ian Appleyard: "We grew up with the Midland and couldn't wish for better friends."

Formerly a leading international rally driver, Ian Appleyard is Chairman of The Appleyard Group of Companies Limited.

One of the country's largest distributors for Rolls-Royce and the whole British Leyland range, the Appleyard Motor Group maintains a widespread network of sales and service depots in the North.

The company's association with Midland Bank goes back to the early 1920's – soon after Ian Appleyard's parents started their small motor business in Leeds – when Mr. Appleyard senior met the Midland manager, Mr. Fred Smith, at a local dinner and an instant friendship developed. Fred Smith died in 1972 at the age of 103; but the friendly relationship between Appleyard and the Midland continues as strong as ever.

As Ian Appleyard says "It takes large sums to finance the vast stocks of cars held by our Yorkshire depots. And as sales vary with the season, the Midland are very understanding about the size of the fluctuations in our overdraft. The Midland manager refers to the figure in our regular chats – but neither of us scares easily.

"In our Credit Finance Companies we have a close working association with Midland Bank Finance Corporation – the Midland Bank Group company which specialises in the provision of medium term finance. This is a very natural development of a 50 years long friendship during which the Midland have never failed to give us every support."

Your first meeting with your local Midland Bank manager could be the start of a strong business growth – and a lasting friendship. Don't wait until you happen to meet at a dinner. Just call in.

**Midland Bank Group**

**You're not on your own with your financial problems.**

The Midland Bank Group includes: Midland Bank, Clydesdale Bank (Scotland), Northern Bank (Ireland), Midland Bank Trust Company, Midland Bank Finance Corporation, Forward Trust, Forward Leasing, Samuel Montagu & Co., Montagu (Insurance) Holdings, Midland Montagu Industrial Finance, Shield Factors, Thomas Cook & Son, European Banks International (EBIC), European-American Banks, Euro-Pacific Finance Corporation, European-Asian Bank.

هكذا من الأهل

# The Property Market

BY PETER RIDDELL

## evaluation y LSIT ain talking oint

D SECURITIES' unexpected uncement over the week-end not surprisingly been the talkig point of the past few and has a number of rtant implications both for company and for the property stry as a whole. The proposed hases of the convertible for ellation not only draws tion to the "cheapness" of erty shares relative to net values but is also an attrac- way of improving the growth ssets per share for a group LSIT's particular financial ture.

e process is clearly likely to radual—not least because it take time to sell the "very ield" properties to finance urchases. There is compara- limited demand for type of property. Indeed e case of Adastral House Lacon House, which are to ffered by tender by Healey Baker next month, the most bus buyer is the Govern- It has a lease with a fixed of 35p a square foot for the 36 years, though whether Treasury will sanction the to £7m. likely to be ssary to buy the blocks is aps an open question.

t the other main interest is evaluation by Knight Frank and Rutley showing a 27 per cent. rise in values since March this year. This underlines not only the continuing low level of yields but, more particularly, the acceptance of the rapid growth in central London office rents this year. It will obviously be interesting to see how other revaluations reflect this trend though LSIT is possibly some- thing of a special case because of its very high proportion of high quality central London properties.

The other main implication is political and the subject was raised in the Commons on Tues- day, when the Prime Minister promised to look into the LSIT revaluation. On the same day Mr. Anthony Crosland outlined Labour's approach and called not only for a regular revaluation of assets by property companies but also for an annual tax on the increase in values. Any such measure would, of course, radically alter the struc- ture of the industry, emphasing the process of increasing value by development rather than retention. Mr. Crosland's speech outlined various other sugges- tions including an increased role and share of profits for local authorities and nationalised industries. But it is noticeable that instead of opposing further development as such his emphasis was far more on the redistribution of the resulting profits.

But whatever happens here does not affect the underlying pressures pushing up rents in mand imbalance in the City has again been highlighted by London and the supply and de- Richard Saunders and Partners monthly floorspace survey. This shows that the amount of space on the market increased from 719.000 square feet to 748,000 square feet during October, but this is well below the monthly total until June this year and about a quarter of last Decem- ber's figure. There was compara- tively little letting activity last month. About 520,000 square feet is available in the four E.C. postal districts.

A number of large buildings will come on the market dur- ing the next year—such as Berkeley Hambro's 300,000 square feet tower block in Bishopsgate where the rent will be watched with particular in- terest. But given the current level of planning permissions this is only likely to have a temporary effect in the main financial area.

## Interland's £46m. programme

THE PATH from a successful agency to fully-fledged develop- ment company is now so well established that with the excep- tion of the major firms of surveyors it almost appears an inevitable progression in a busi- ness where capital appreciation rather than income is the goal. A classic example is Interland Estates established in 1969 and since last year without the original agency. As I mentioned a couple of weeks ago Interland has been rather quiet about its activities until recently, but now with a development programme costing about £46m. it intends to disclose much more.

A significant point is that the group has not concentrated solely on the south east but has built up a substantial stake in several provincial cities. For example, there are consents for 250,000 square feet in a number of schemes in Leeds, a total of 200.000 square feet in the pipeline in Bristol and 200,000 square feet in Birmingham.

The latest major provincial project is in Nottingham where work has just started on a £10m. office development providing 212,000 square feet of fully air- conditioned space in two blocks on a site at Toll House Hill and Derby Road, overlooking the Chapel Bar roundabout. Talks have been going since last year between Interland and both Nottingham Corporation and the Greater Nottingham Co-operative Society which have resulted in the acquisition of two acres of land on a ground lease basis. The development, which is cap- able of sub-division should take about two years to complete and the current view is that rents, could be between £2 and £2.50 a square foot, compared with less than £2 at present. Jones Lang Wootton and John E. Mitchell and Sons are the agents.

Interland also has several projects elsewhere in the U.K.— for example in Ilkeston, South- ampton and Luton, where two have received planning consents and one is in the O.D.P. stage. There are also some develop- ments in London in places such as Westbourne Grove, Forest Gate and Covent Garden and this side is being expanded. Although the group is taking a cautious view of the Continent acquisi- tions have been made in Amster- dam and Monaco (a flats develop- ment) and a close look is being taken at Germany. Finance is being provided from the usual combination of banking and insurance sources.

An alternative pattern of development is the property company built up a couple of individuals previously with a much larger group and an example here is Oakhill Develop- ments (Property). This was set up just over a year ago by Michael Newman, formerly a director of the Lyon Group, and it now has a development pro- gramme with an investment value of about £5.6m. This includes more than a dozen schemes—both in the industrial sector with estates throughout the country and on the office and shops side with a number of small projects, especially around London. The largest scheme is at Worsley, near Manchester, where a first phase of 85.000 square feet has been completed and let with rents of 50p to 56p a square foot. A second phase of 52.000 square feet is under way with rents likely to be in the 65p to 75p range. As usual most of the initial emphasis has been on trading and pre-funding—in certain cases with the Abbey Property Fund—but an increas- ing number will now be retained with two further schemes total- ling 116 acres in the pipeline.

## Laing in Carlisle

PROPOSALS for a large new shopping centre on a site of more than five acres in the centre of Carlisle have now been approved in principle by the City Council. The scheme, which involves Laing Develop- ment Company, will provide about 60 shops, four large stores some offices, and parking for 900 cars on a site between Scotch Street/English Street and Lowther Street. A "substantial proportion" of the property on the site is already in local authority ownership. Work can begin as soon as various negotia- tions have been finished and the project should be completed about three years after that.

Laing has also recently agreed terms with British Rail Property Board for the redevelopment of the former Railway Goods Depot at Midland Road, Bristol, in a scheme to be known as the Kingsland Trading Estate. The site is half a mile east of the city centre and the 15 acre first phase will consist of a total of 210,000 square feet. The first units should be completed next year and rents are expected to be in the region of £1 a square foot—a clear indication of the rapid growth in that area. King and Co. and Lalonde Bros. and Parham are the letting agents.

## Industrial lettings

THE BUOYANCY of the in- dustrial market over the last few months has been underlined by another series of sizeable lettings. Artagen Properties, for example, has now let a ware- house of more than 100.000 square feet on its industrial estate at Wharf Road, Ponders End, Middlesex, to LRC Inter- national and a further three units, totalling 48.000 square feet, are under construction and have been pre-let to BMK, Access Equipment and Olympic Kitchens. The rent on the first letting was 81p a square foot, and was 85p on the other three units, but a figure of nearer £1 a square foot is likely for a further 27.000 square feet soon to be built. The estate, which also includes 93.500 square feet of existing fully let buildings, was acquired by Artagen from the Lyon Group earlier this year for £2.25m. Chamberlain and Willows was the letting agent.

The future of the Gillette office and factory complex on the Great West Road has now been resolved with the news that Amalgamated Investment and Property has bought the complex for £11.67m. As I mentioned last Friday there has been a good deal of speculation about the result—a lot of which seems to have been caused by the fact that the widely rumoured higher bid of £12.25m. came in after the tender had closed on October 5. The building provides 430.000 square feet on a site of 8.75 acres and Amalgamated, which will gain vacant possession in October 1976, intends to reno- vate the office and some of the industrial space and redevelop parts of the rest of the factory accommodation. The group has been especially active in this area with various schemes around Acton. In the latest acquisition, Amalgamated was advised throughout by Pilcher, Hershman and Partners while Knight Frank and Rutley organised the tender on behalf of Gillette.

Other industrial news is that Percy Bilton has let a further 532.000 square feet in the south east and south Midlands, includ- ing its developments at the Air- port Estate, Portsmouth; Mill Street, Slough; Gloucester; Cov- entry and Walsall. In Scotland, more than 180.000 square feet has now been let on the East Mains Industrial Estate at Broxburn, West Lothian, two miles from Edinburgh Airport. Rents of up to 50p a square foot have been achieved. A further phase will soon be under way with Richard Ellis and Leslie Brown as the agent.

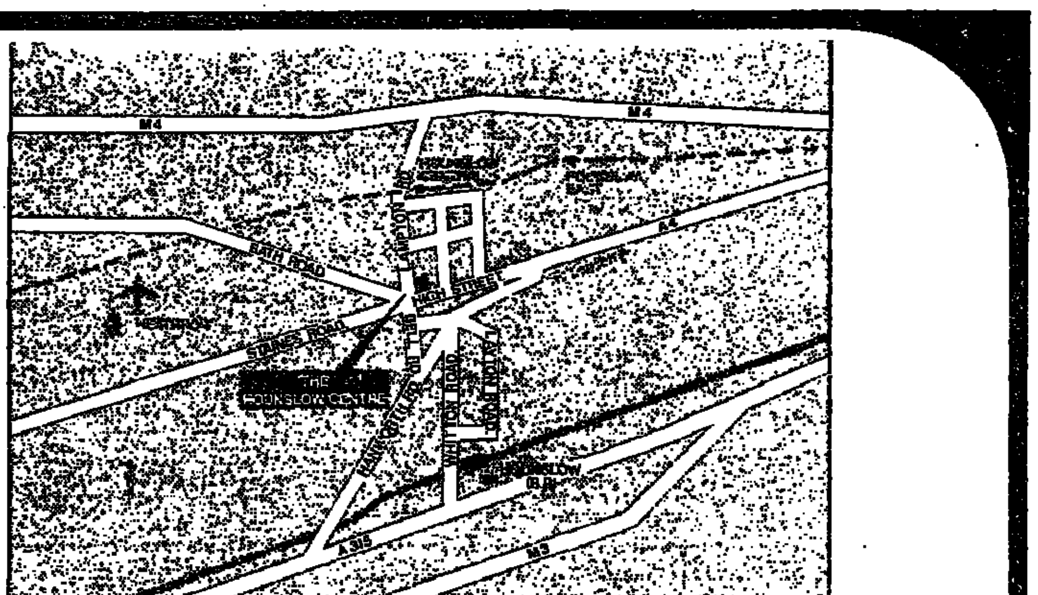
## OUT AND ABOUT

● The Brompton Road has been attracting an increasing amount of interest for both office and shopping development over the past few years. A recent example involves number 171, once the site of the El Cubano coffee house, which is being redeveloped together with numbers 173 and 175 by Berkeley Hambro Property Company in a scheme combining a small ground floor department store, about 10,000 square feet of offices and four luxury penthouses. The project should be completed in early 1975. Instead of being merely an extra to the commer- cial content as in many schemes the residential part is a key element in this case. Although prices will be announced later Barrington Laurance, which is advising on the project, points out that equivalent residential accommodation in the area is to-day being offered at more than £200,000. In a further deal at 203/205 Brompton Road, the long leasehold of a site previously owned by Woolworths has been acquired by Underwood (Cash Chemists). It will occupy about 15,000 square feet of trading and storage space. Barrington Laur- ance was also the agent here and the two schemes involve more than £5m.

● In north east London, Edmund J Green (Property Investments) has acquired the former Wool- worth store at 1, High Street, Walthamstow, and has now revealed plans for a redevelop- ment providing some 30,000 square feet of office space. The site is on a corner opposite St. James' Street station. A tenant is now being sought to support an ODP application, and detailed and what are described as "en- couraging" discussions have been held with the local plan- ning authority. An obvious bait is that a rent of only £3 a square foot is being quoted. Drivers Jonas acquired the site for the developer and is advising on the scheme.

● Other London news is that Corob Inter-City Properties has let its renovated office building at 61-62, Ennismore Gardens, S.W.7, to Debenhams for use by the latter's Fashion Multiples Division. The exact rent has not been disclosed but it is believed to be over £7 a square foot. The joint letting agents were Smith Melzack and Co and Matthews and Goodman.

# INDUSTRIAL & BUSINESS PROPERTY



A Bovis property group development

up to ¾ million sq. ft.

# Eastways

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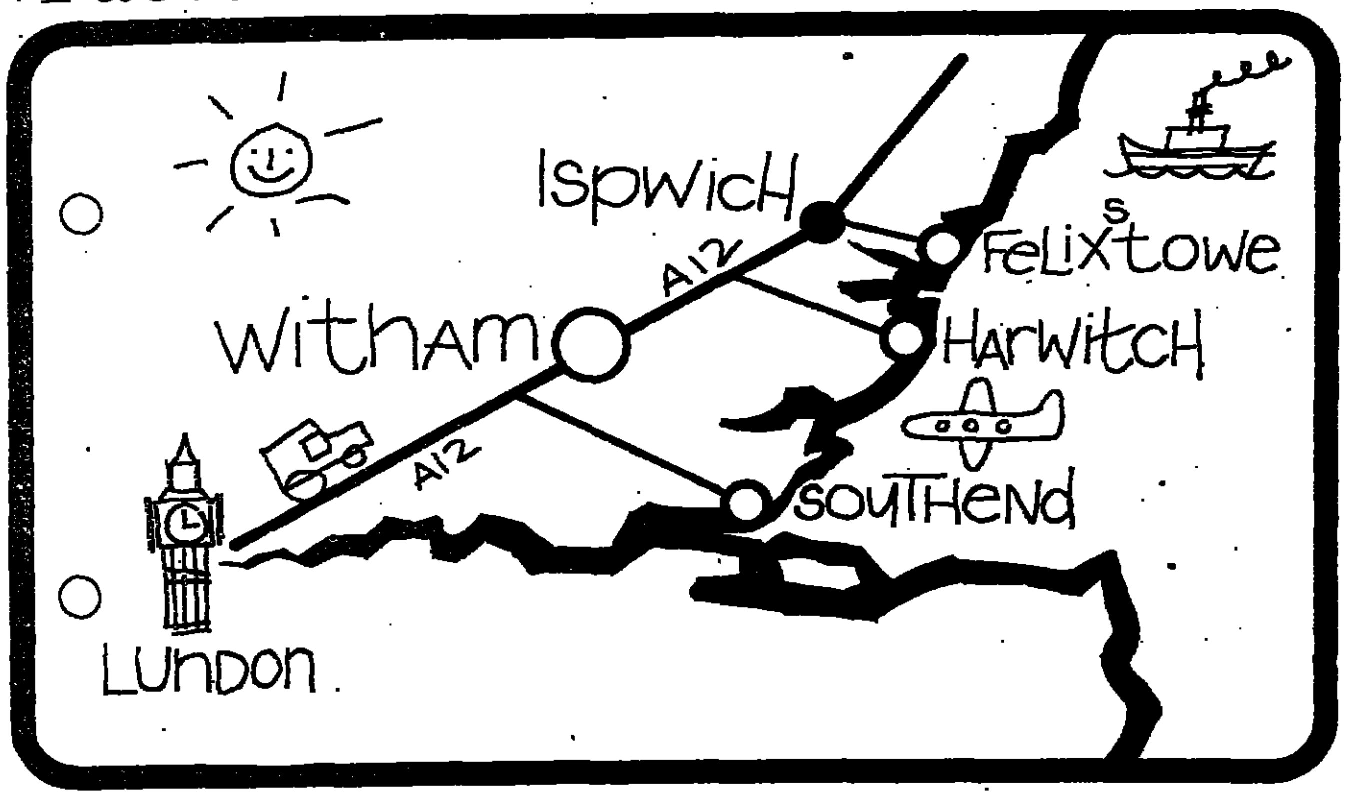

Sole Agents

**clive lewis & partners**
16 STRATTON STREET
MAYFAIR LONDON W1X 5FD
01-499-1001 (20 Lines)

**Weatherall Green & Smith**
Aldwych House London WC2B 4JW
01-405 6944
AND IN LEEDS PARIS & NICE

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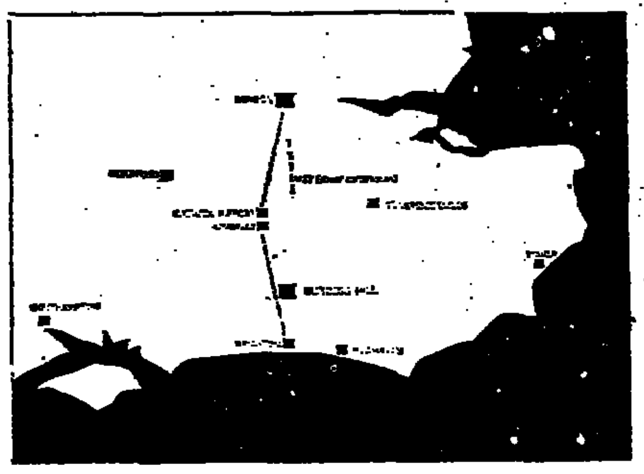
A Land & House Property Corporation Development

# BURGESS HILL



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Prestige Office Building
Air Conditioned
Ample Car Parking
Central Location

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Joint Agents

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**DOVER ST. W.1**
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*Showrooms & Offices*
*Lease for Sale*

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**Two storey OFFICE & WAREHOUSE for rent**

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On behalf of Sir Richard Sutton's Settled Estates

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Substantial reversions in September 1974

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6 Arlington Street, London SW1A 1RB. Tel: 01-493 8222 also in the City of London and Paris.

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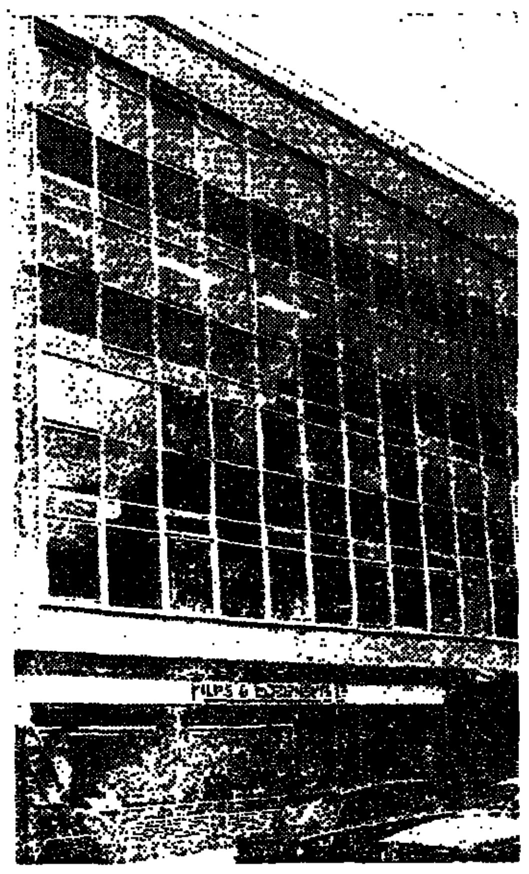

Modern – Long Leasehold Investment

**for sale by auction**

29th November 1973 at 3.00 pm

**London Auction Mart**
**Fur Trade House**
**25 Little Trinity Lane**
**EC4**
(Entrance Huggin Hill)

Joint Auctioneers

**Richard Ellis**
Chartered Surveyors
64 Cornhill London EC3V 3PS
Tel: 01-283 3090

**DE GROOT COLLIS**
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**J. TREVOR & SONS**

## For sale by tender

Closing date: Friday 16th November 1973

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producing

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per annum

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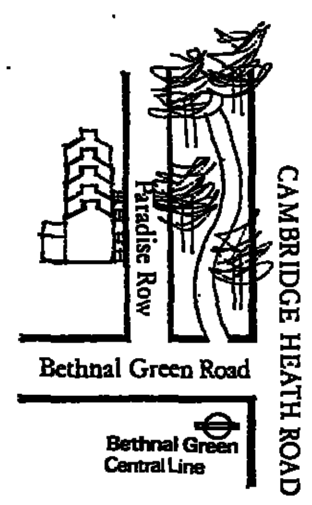
Four Freehold Period Properties

*with vacant possession & redevelopment potential for offices/residential*



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**BERNARD THORPE & PARTNERS**

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**OFFICE ACCOMMODATION URGENTLY REQUIRED BY CLIENTS**

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**WHERE THE SPACE YOU RENT IS THE SPACE YOU GET!**

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12 miles Central London at only **95p** per square foot.
The Eurotrade Centre

*"It has been calculated that in warehouses with supporting pillars, up to 25% of the total rented floor area is wasted on holding up the roof!"*

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A development by Strand Construction Limited.

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**BANGOR, NORTH WALES**

Redevelopment site for Offices, Garage, Filling Station for sale. Write Box T.2820, Financial Times, 10, Cannon Street, EC4P 4BY.

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Good communications by road, rail, sea and air exist, and we are looking for companies wishing to purchase space, who would require purpose built warehouse or factory units complete with offices.

The development would be carried out to the clients' requirements, and principals are invited to gather more details from Box T.2802, Financial Times, 10, Cannon Street, EC4P 4BY.

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**FIRST CLASS WAREHOUSE/OFFICES, GROUND FLOOR DIDCOT, BERKS.**

24,000 Square feet including 2,000 square feet of separate offices. Good loading facilities, fully heated with toilets and canteen accommodation. Ample car parking and three minutes from railway station. Service to Paddington in 45 minutes at present, will be 35 minutes next year. 75 pence per square foot. Ready for immediate possession. Agents commission paid. Tel: 493 1725.

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**FOR SALE—TWO EXCELLENT MODERN INVESTMENT PROPERTIES**

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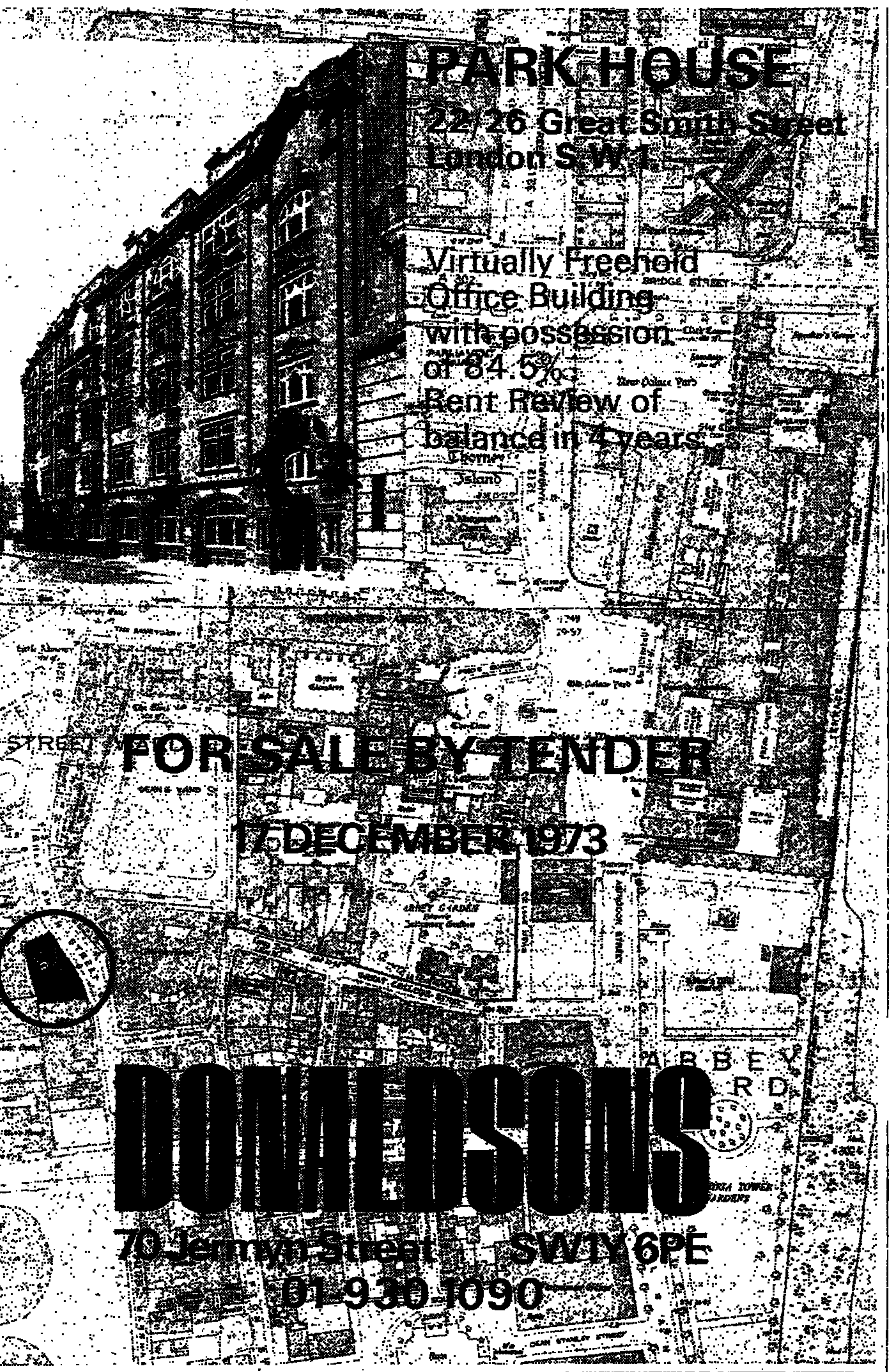

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**SHOP PARADE**

**190-214 SEVEN SISTERS ROAD N4**

Prominent Main Road Position Two minutes Finsbury Park Main Line and Underground Station

Comprising 13 Shops and rear Light Industrial Premises

Existing Income £10.250 p.a. excl.

Existing Tenancies either holding over or expiring in March, 1974. therefore exceptionally valuable reversions.

**DEVELOPMENT POTENTIAL**

Price £600,000 subject to contract

Sole Agents

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Of Special Interest to Investors, Speculators and Developers

**19.23 ACRES FREEHOLD LAND**

adjoining proposed village envelope at Chieveley, Berks. (M.4 ¼ mile)

**FOR SALE BY AUCTION, DECEMBER 12th, 1973**

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**WORCESTERSHIRE,**

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Residential development site with planning permission for 24 flats Freehold £40,000

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valuable site—two storey building. (8.000 sq. ft.) with goods lift. Suitable for garage. light industry, stores or other use.

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# Northampton joins the space race

**You don't have to go to the moon**
**For office accommodation at an earthly cost, just come to Northampton**

**No odp required**

**Available immediately**

Town centre sites for 200 000 and 300 000 sq ft
Acres of peripheral campus sites

**Available soon**

Town centre site for 60 000 sq ft
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**Available 1975**

220 000 sq ft over new town centre bus station

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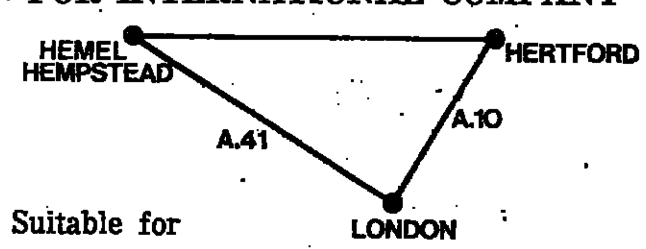

Suitable for

OFFICES: 25,000 sq. ft.

WAREHOUSING: 45,000 sq. ft.

Existing buildings with ancillary land would be considered.

Contact J. Marland

**EXTENSIVE FREEHOLD SHOP AND PREMISES**

**78 HIGH STREET, GODALMING, SURREY**

Excellent shop in prime multiple position (adjacent to Boots and Lotus Shoes) together with large site at the rear.

SHOP FRONTAGE: 26′ 6″

SHOP DEPTH: 55′

TOTAL SITE AREA: 19,600 sq. ft.

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**LEIGHTON BUZZARD, BEDS.**

A superb Freehold Industrial Investment with exceptional redevelopment potential situated close to the centre of this thriving commercial town.

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| THE SITE | 2 acres fronting Leighton Rd., ½ miles from the Town Centre. |
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| THE LEASE AND RENTAL INCOME | Rental currently totals £10.247 per annum net exclusive. All leases expire on or before November 1977. |
| THE PRICE | Offers invited in the region of £450,000 subject to contract. |

For detailed particulars contact either of the above references.

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**O.D.P. TENANT REQUIRED FOR 80/100,000 sq. ft.**

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1,705 sq. yds. approx
PLANNING PERMISSION FOR SUPERMARKET DEVELOPMENT

Main Frontage 82 ft. approx

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**BARLOW HOUSE**

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**A SELF-CONTAINED NEW OFFICE BUILDING**

**READY FOR OCCUPATION DECEMBER 1973**

**40,000 sq. ft.**

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**RIVER TYNE COVERED SHIP & BOAT-BUILDING YARD**

of recent construction
extending to 13.8 acres (5.59ha)
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TOTAL FLOOR AREA of 162,300 sq. ft. (15,078m²)
comprising
Three Covered Bays
(127.50m—137.50m long)
for construction of Small Ships in Steel
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Laying up and fitting out bays
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for Glass Fibre craft
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Recently installed Plant & Machinery also available

Apply: W. G. Mackey, F.C.A., Post Office Chambers, Newcastle upon Tyne.

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**INDUSTRIAL DEVELOPMENT SITE**

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TOTAL SITE AREA 27,500 SQ. FT.
Closing date 21st November 1973

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153,000 sq. ft. factory/warehouse
Height to eaves—25 ft.
Cranage available. Immediate occupation.
M53 Motorway—1 mile.

Apply:
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SHORTLY TO BE ERECTED

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8,000 — 42,000 SQUARE FEET
TO LET

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**LICHFIELD** Warehouse/Factory 5275 m² Current rent PER £10500 ANNUM LEASE FOR SALE

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Assurance

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is now in
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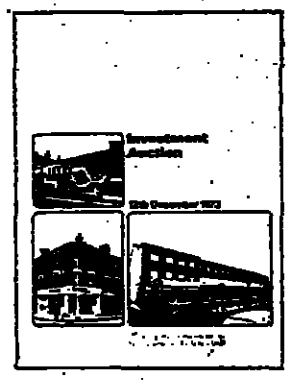
Tel: 01 499 4171

**PROPERTY GROWTH ASSURANCE**
Registered and Head Office: Edward House,
73 Brook Street, London W1Y 1YE

# TWO DAY AUCTION
## Commercial Investments

**Wednesday 12th December 1973**
(unless sold previously)
at The London Auction Mart
Fur Trade House
25 Little Trinity Lane, London EC4
at 2.30pm

- Lot 1 127, 127a, 129 Northdown Road, Cliftonville, Kent. Freehold parade of 3 shops.
- Lot 2 148-184 Rainham Road, Chatham, Kent. 7 shops and supermarket.
- Lot 3 132/134 Old Shoreham Road, Hove, Sussex. Petrol filling station and garage.
- Lot 4 54/58 London Road, Portsmouth, Hampshire. 3 shops with flats above.
- Lot 5 18 and 18a Chapel Market, London, N.1. 2 shops and upper part.
- Lot 6 51a/53 and 53a Goldhawk Road, London, W.12. Shop and separate flat.
- Lot 7 1, 2, 3 & 4 West Ruislip Station, Ickenham Road, Middx. 4 shops.
- Lot 8 256/260 Wimbledon Park Road, London, S.W.19. Garage, showrooms, offices and flats.
- Lot 9 128/130a Hoe Street, Walthamstow, London, E.17. 2 shops and maisonette.
- Lot 10 11/13 The Colonnade, Maidenhead, Berkshire. 3 shops.
- Lot 11 1-7 Main Parade, Chorleywood, Hertfordshire. 7 shops and 6 maisonettes.
- Lot 12 415/429 Bromley Road, 1 and 3 Oakridge Road, Downham, Kent. 8 shops, offices and flats.
- Lot 13 66/70a Streatham High Road, London, S.W.16. 3 shops and car workshop.
- Lot 14 1-29 Broad Street, Chesham, Buckinghamshire. 5 shops, 5 maisonettes, 5 flats and petrol filling station.



**Thursday 13th December 1973**
(unless sold previously)
at The London Auction Mart
Fur Trade House
25 Little Trinity Lane, London EC4
at 2.30pm

- Lot 1 13/14 Short Wyre Street, Colchester, Essex. Double fronted shop.
- Lot 2 20/21 Short Wyre Street, Colchester, Essex. 2 modern shops.
- Lot 3 2-12 Bell Lane, Belton, Suffolk. Supermarket and 3 shops.
- Lot 4 50, 52, 54 Kingsway, Dovercourt, Essex. 3 shops and 3 flats.
- Lot 5 Central House, High Street, Dovercourt, Essex. 8 shops, 8 flats and offices.
- Lot 6 Steele House, High Street, Dovercourt, Essex. 5 shops and 10 flats.
- Lot 7 21 St. Matthews Street, Ipswich, Suffolk. Shop and offices.
- Lot 8 22/28 Crown Street, Ipswich, Suffolk. 3 shops and offices over.
- Lot 9 16 Newmarket Place, Beccles, Suffolk. Newly built supermarket.
- Lot 10 6/7 Sizewell Road, Leiston, Suffolk. Modern block of offices.
- Lot 11 22/32 High Road, South Benfleet, Essex. Modern local parade.
- Lot 12 68A Pier Avenue, Clacton-on-Sea, Essex, Shop and maisonette.
- Lot 13 12 St. Botolph's Street, Colchester, Essex. Shop and maisonette.

**Chestertons**
75 Grosvenor Street, London W1X 0JB
01-493 9302

By Order of: Norman A. Armstrong Esq., F.C.A., Messrs. Harry L. Price & Co., Chartered Accountants, Manchester. Philip G. Livesey Esq., F.C.A., Messrs. Coopers & Lybrand, Chartered Accountants, Manchester. Gerhard A. Weiss Esq., F.C.A., Messrs. W. H. Cork Gully & Co., Chartered Accountants, London. Joint Liquidators re: DAVID CH. TURKIE & SONS LIMITED (in Creditors Voluntary Liquidation)

## TYLDESLEY, NR. MANCHESTER
Close to the East Lancashire Road (A580)

## MODERN LIGHT INDUSTRIAL AND WAREHOUSE PREMISES
With Offices

OFF CHADDOCK LANE, ASTLEY INDUSTRIAL ESTATE

Adjacent A580 Manchester to Liverpool (East Lancashire Road). The M62 Lancashire/Yorkshire Motorway and M61 Motorway to Preston lie about 3 miles away and the M6 Motorway about 8 miles away. Brick construction, steel framed asbestos roofs underlined, and with roof lights. Concrete floors, protective finish surfaces. Lodge/Security Office, parking facilities, oil-fired central heating installed throughout. Electricity Sub-Station. Three oil-fired steam raising boilers. Fire Alarm system, sprinklered "Colt" fume extraction.

*FLOOR AREA 132,446 SQ. FT.*
SITE AREA 4.21 ACRES
VACANT POSSESSION BY ARRANGEMENT

FOR SALE BY AUCTION
(Unless Previously Sold)
By the Joint Auctioneers

BERNARD THORPE & PARTNERS — Philip Davies & Sons

At
THE ESTATE EXCHANGE, 46 FOUNTAIN ST., MANCHESTER
On Friday, 23rd November, 1973 at 2.30 p.m.
Subject to Conditions of Sale

For further particulars and viewing arrangements, apply to the Joint Auctioneers, Messrs. Bernard Thorpe & Partners, Elisabeth House, St. Peter's Square, Manchester M2 3DF. Tel. 061-236 9595 or to Messrs. Philip Davies & Sons, 79 Wellington Road South, Stockport SK1 3SF. Tel. 061-480 1137 or to the SOLICITORS, Messrs. ALEXANDER TATHAM & CO., 11 St. Peter's Square, Manchester 2. Tel. 061-236 4444. A piecemeal sale by Auction of the Plant, Machinery, Equipment, Office Furniture and other assets *will be held on the Premises on the 27th, 28th and 29th November,* 1973. Catalogues may be obtained from Messrs. Philip Davies & Sons, as above.

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Former public house premises in prime position with planning consent for shopping and residential use.

**80 YEAR LEASE**

**FOR SALE BY TENDER**

*Particulars from:*
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## 17-25 SLOANE STREET
LONDON SW1

## OFFICE FLOOR TO LET
## 10,380 sq. ft. (957.6m²)

- Fully Air Conditioned
- Carpeted
- Exclusive Entrance Hall & Lift
- Car Parking

*Apply Joint Agents:*

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01-629 7666

MICHAEL KALMAR & PARTNERS
Leith House, Gresham St., London E.C.2
01-606 0911

RESIDENTIAL AND OVERSEAS PROPERTY APPEARS EVERY SATURDAY

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## WEST LONDON
40-50,000 Sq. Ft.
**Single Storey Warehouse**
FREEHOLD OR LONG LEASEHOLD

*WANTED*
## SOUTH LONDON
20,000 Sq. Ft.
**Single Storey Factory**
FREEHOLD OR LONG LEASEHOLD

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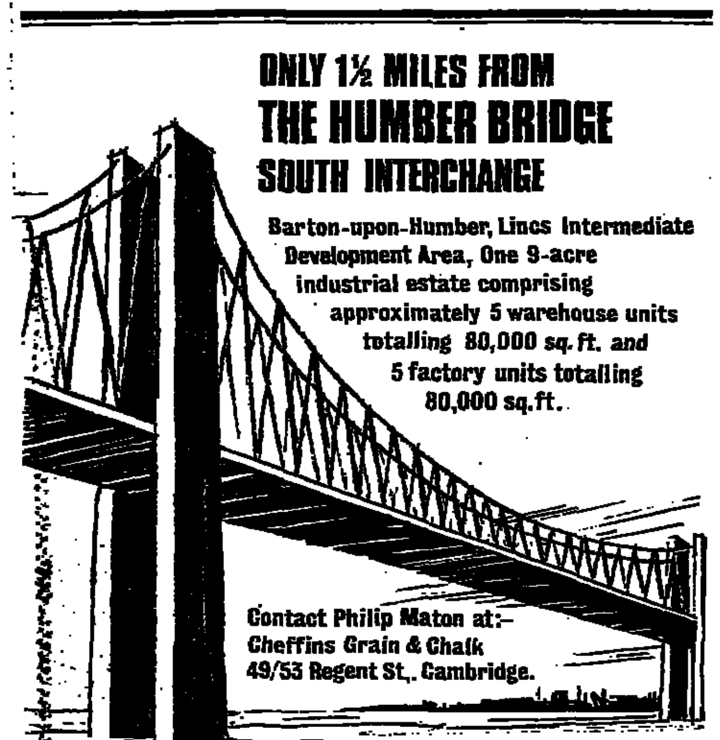
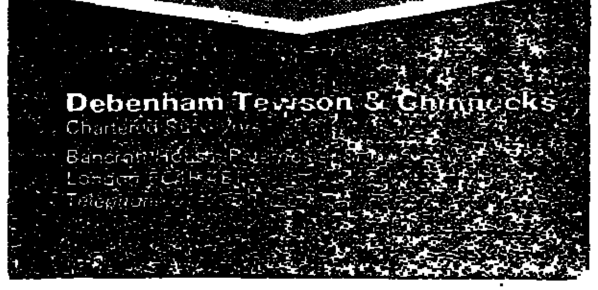
30 High Street, High Wycombe,
Bucks HP11 2AQ. Tel: (0494) 21234

HAMNETT RAFFETY



Cheffins Grain & Chalk
Commercial/Industrial Property Department
49/53 Regent Street
Cambridge CB2 1AF
Telephone: 0223/58721

**South Woodford, E 18**
Single Storey Warehouse
7,000 sq. ft.
For Sale Freehold



**CITY OF LONDON BORDER N. I**

**FREEHOLD INDUSTRIAL PREMISES WITH DEVELOPMENT POTENTIAL**

**16,000 sq. ft.**
on nearly half acre site
Vacant Possession
**FOR SALE BY TENDER**
Closing date 3rd December 1973

Chartered Surveyors,
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London EC2R 6AX
Tel: 01-638 8001

**Chamberlain & Willows**

## FALKLAND HOTEL, LINDEN ROAD, BEDFORD
with outline planning permission for the erection of a block of 18 flats with garages.

**FOR SALE BY TENDER**

This property is on the corner of Linden Road and Clapham Road, Bedford and has a frontage of 100 feet to Linden Road and 160 feet to Clapham Road.

Tender date on or before 14th December 1973

Particulars and Tender documents available on application to.
Messrs. Leeds Smith, Solicitors. 6 Bedford Road, Sandy. Beds.
Tel. Sandy 80251.

## MARLEY MANOR
MARLEY COMMON, HASLEMERE, SURREY

Suitable for Conference Centre, Private House or other Institutional Use

Attractive Country House in 11 acres of grounds sited 700 feet above sea level and enjoying superb views over the Sussex Weald to the South Downs.
10 Bedrooms, 5 Bathrooms, 3 Reception Rooms (65ft. long opened up), Staff Rooms, usual offices, staff cottage, extensive garaging.
4 Paddocks, 6 loose boxes, 40ft. swimming pool, pavilion with changing rooms and Sauna Bath Suite. Croquet lawn, Grass Tennis Court.

*FOR SALE BY AUCTION* (unless *previously sold*) on
Wednesday 14th November, 1973 at 3.30 p.m. at
The White Horse Hotel, Haslemere.
BROOMHALLS,
CHARTERED SURVEYORS.
61, Petty France, London, SW1H 9EZ. Tel. 222 1324.

## MAIDSTONE
Valuable Block of 9 Freehold Shops
for Conversion/Redevelopment
First Class Trading Position opposite
New Town Centre.

**FOR SALE BY TENDER**

CLOKE & SONS.
25 Gabriel's Hill,
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Maidstone (0622) 53911/51252.

**OLD TOWN, SWINDON, WILTS.**
Important Sale of
**VALUABLE FREEHOLD BUSINESS PREMISES**
situate and known as
**27 and 28 DEVIZES ROAD**
occupying a prominent corner position within Old Town Shopping and business area, having a total road frontage of 154 feet, suitable for occupation or redevelopment, which
FARRANT AND WIGHTMAN
have received instructions to offer for Sale by Public Auction (unless previously sold), at:
**THE KINGS ARMS HOTEL, SWINDON, on MONDAY 26th, NOVEMBER, 1973, at 2.30 p.m.**
Detailed particulars from the Auctioneers: "Market House," 2 Newport Street, Swindon (Tel. 31201)

هكذا من الأهل

On behalf of LAZARD BROTHERS & CO. LTD.

## CITY OF LONDON

# 8,230 sq. ft.

## MOORGATE STATION

Remaining suite of new air-conditioned offices

**TO LET**

TO A SINGLE TENANT

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# Jones Lang Wootton announce the further development of Belgium.

As an extension to their professional service in Belgium Jones Lang Wootton announce the opening on November 5th of a new office in

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38 Frankrijklei, 2000 Antwerp, Belgium.
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**JONES LANG WOOTTON**
Chartered Surveyors

**Europe:** London: City & West End, Croydon, Glasgow, Edinburgh, Jersey, Dublin, Brussels, Paris, Rotterdam, Amsterdam, Frankfurt.
**Australasia:** Sydney, Canberra, Melbourne, Brisbane, Adelaide, Perth, Christchurch, Auckland, Hong Kong.

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# For Sale by Tender

## Prime Industrial Development Site

# LEEDS

Adjacent to the M621 motorway which links the M1 and M62

**Site area 6·4 acres (approx)**

**FREEHOLD**

With planning consent

Closing date
Noon Friday Nov. 30th 1973

Further particulars from

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TEL: 01-493 4371

Joint Sole Agents

**HEPPER & SONS**
CHARTERED SURVEYORS
HEPPER HOUSE
EAST PARADE
LEEDS 1
TEL: 0532 39222

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**LAWSON LARG & CO.**
Chartered Surveyors & Auctioneers

## CITY OF YORK

**STORAGE & INDUSTRIAL LAND**

**6.72 ACRES**

OUTLINE PLANNING PERMISSION

Further Particulars from Agent's Offices:
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# Central Bromley

Air-conditioned Offices
**30,000 sq. ft. net.**
**To Be Let**
(O.D.P. required)

All enquiries to:

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London EC2V 8EE
Tel: 01-606 4060
Telex: 885557
Ref: D/DRCB

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# Ealing W.5.

Walpole House, 26/42 Bond Street

**10,500 sq. ft.**

Fully Air-conditioned Offices/Showrooms

**To Be Let**

Joint Sole Agents

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## FACTORIES & WAREHOUSES

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Newly erected
WAREHOUSE
to let.
33,000 sq. ft.
All amenities.
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85 Great Portland Street W1
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**DOVER**
12,000 sq. ft. Warehouse
LEASE FOR SALE
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*Chartered Surveyors,*
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Dartford 28891

**CENTRAL DARTFORD**
,000 sq. ft. factory/warehouse on 6½ acres
Worldwide Estates Ltd.,
Telephone: 01-890 5855/9

**FINSBURY PARK N.4**
FREEHOLD FACTORY FOR SALE
17,000 sq. ft.
*Price £300,000—*
subject to contract.
Contact Owner's Agents
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Tel 01-637 0821

ESCLIFFE ESTATE, TEESSIDE—sting single storey warehouse to let roximately 10,000 sq. ft. Rent 600 per annum. Further details: in Robinson and Co., Titan House. sigate, Leeds. Tel: 40082.

LE, SUSSEX. Approximately 5,000 are feet of storage close to High eet to let. Rent aproximately £1,500 annum. Graham Walker and Co. rtered Surveyors. Battle 2237.

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WANTED. Light Industrial premises approx. 2,000 sq. ft. North London area. Must be Ground Floor. Clean. Would consider short lease. Tel: 01-359 4796.

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You've got to find commercial and industrial property finance on terms that will *improve* your proposition, not kill the profit content. Garfield Hillman's established reputation in both commercial and residential finance facilities means the provision of funds from major institutions on very realistic terms, tailored to your own project. Contact Garfield Hillman now for immediate action:

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ubstantial fund available for immediate investment in roperty development and bridging finance.

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## 100% FINANCE

available on U.K. and overseas developments
**10 YEAR INTEREST ONLY**
on commercial and industrial properties from 12½%

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Trustees Sale

**BRIGHTON**
122 & 124 LUSTRELLS VALE, SALTDEAN
Modern Shop Investments producing £1,250 p.a. ex.
VALUABLE REVERSIONS 1976/8
Auction Sale 29th November
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**INVESTMENTS SOUGHT AND BOUGHT**
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Industrial, Commercial and Shops. Leasebacks willingly considered. Vacant Freeholds. Factories, Offices and Warehouses (post 1945)
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**MENDOZA**
**01-935 8341**
39, Crawford St., London, W1H 2BS

**CONTINENTAL INVESTMENT COMPANY**
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FUNDS AVAILABLE for Investment. Industrial leaseback preferred. Gordon Hudson & Co., Industrial Surveyors, 10, Wigmore St., W.1 Tel. 01-637 3822.

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2.72 acres
30,000 sq. ft. building
40,000 sq. ft. hardstanding
good offices and all services

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17A MARKET MEWS
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40 & 42 SHEPHERD STREET

SEVEN FREEHOLD AND LONG LEASEHOLD HOUSES FOR INVESTMENT OR OCCUPATION

all with

VACANT POSSESSION
(except garages at 40 & 42 Shepherd Street)

FOR SALE BY TENDER

CLOSING DATE 12 noon, Friday 7th December, 1973

*Sole Agents*

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**49,200 SQ FT**

PLANNING CONSENT FOR SHOPPING, SUPERMARKET & OFFICES

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CLOSING DATE 12 DECEMBER 1974

Apply

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*Full details of competitive rates from Britain's leading property finance consultants.*

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**King and Chasemore**

**82 NORTH STREET, CHICHESTER, SUSSEX**
**IN THE PREMIER POSITION**

Frontage of about 26 feet 10 inches
FREEHOLD—WITH
VACANT POSSESSION OF GROUND FLOOR
AUCTION DECEMBER 6th
(unless previously sold)

Auctioneers:—
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**OFFICE WAREHOUSE AND SHOWROOM BUILDING**
NOTTING HILL, W.11.
Situated on the main road in busy parade of shops
SITE AREA 3,500 sq. ft. approx.
Nett Total Existing Floor Area 7,930 sq. ft. approx.
FULL VACANT POSSESSION
FREEHOLD £145,000
Apply
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**PARIS** — ADJACENT STE. LAZARE STATION
**FREEHOLD HOTEL** — 39 ROOMS, RECEPTION, ETC.
SUITABLE CONVERSION — **FOR SALE**

**Lander Bedells**
CHARTERED SURVEYORS ESTATE AGENTS AUCTIONEERS
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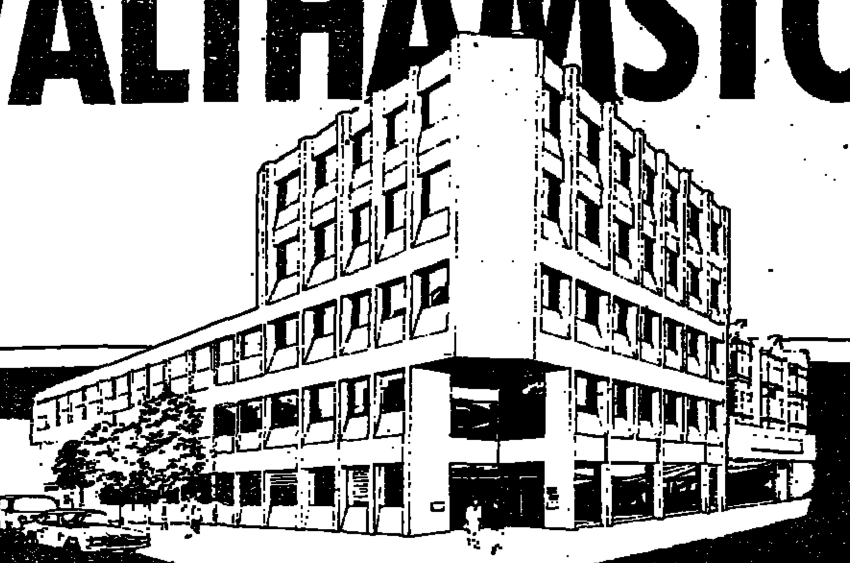
# WALTHAMSTOW



28,500 square feet net. (approx.) PROPOSED NEW OFFICE BUILDING
- Prominent corner position • Opposite St. James St. Station
- Basement Car Park • Rent in the region of £3·00 per sq.ft.

To let to a tenant who can support an O.D.P. Application

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American Electronics Company. Occupation by June 1974.

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**A USEFUL PARCEL OF LAND**
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£40 000 o.n.o.
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**GATESHEAD**
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**TO LET**
A SINGLE STOREY WAREHOUSE OF 19,800 sq. ft.
TWO STOREY OFFICES OF 3,328 sq. ft. NET
AS A WHOLE OR WOULD DIVIDE
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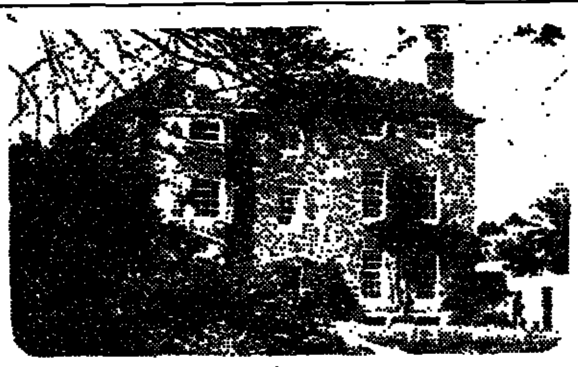
Offices at: London·Ashby-de-la-Zouch·Atherstone·Birmingham·Burton-on-Trent·Derby Loughborough·Ramsbury·Shrewsbury and Eccleshall.



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**4,113 sq.ft.**
Apply joint sole letting agents
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*By order of Trinity Hall, Cambridge*
**CAMBRIDGE** *82/88 HILLS ROAD*
**Offers Invited**
*Returnable: Noon, Wednesday, 5th December 1973*
**OUTSTANDING LONG-LEASEHOLD OFFICE INVESTMENT**
*(95 years unexpired term at a peppercorn)*
NEWLY ERECTED OFFICE BUILDING
Completion March 1974
TOTAL NET FLOOR AREA
approx. 18,000 sq. ft.
let to
THE POST OFFICE
for 20 years with 5 yearly rent reviews
PER £50,000 ANN.
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Industrial Leasehold Land 489 sq. yds.
Approx. 136 years lease.
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62 GROSVENOR STREET, LONDON, W.1.
TEL: 01-493 4932
52/56 HAZELWOOD RD., NORTHAMPTON,
TEL: 38281
**NORTHAMPTON**
Warehouse Showroom and offices
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**TO LET**
Warehouse - 18,124 sq. ft.
Yard — 1,066 sq. ft.
Offices — 2,690 sq. ft.
£12,000 per annum exclusive
Lease to be agreed

# WEMBLEY
NORTHFIELD INDUSTRIAL ESTATE
**over 385 000 sq ft LET**

Last unit comprising a new single storey
**Warehouse 6248 sq ft** approx
now available
SOLE AGENTS
Leighton Goldhill & Partners

MADRID OFFICE BUILDING
FOR SALE

- 100 car garage.
- 896.38 square meters for business and shops on the entrance and first floors.
- 3.482.42 square meters on 7 floors designated for offices.
- 348.14 square meters of basement and attic space
- 7.800 square meters is the total area.

— Original and elegant building
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— Excellent taste and skill in construction to produce 17 x 12 meters halls without one supporting column.
— Air conditioning by Carrier.
— 2 " memory-bank " elevators.

If interested, please write to:
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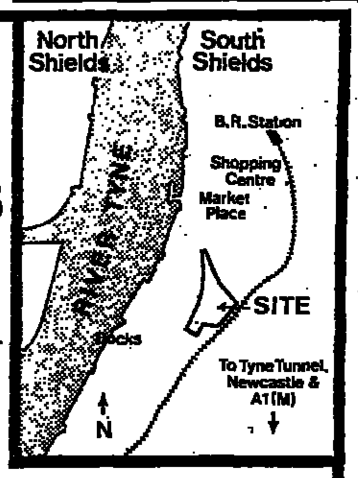
**TO LET SOUTH SHIELDS**
FACTORY/ WAREHOUSE UNITS
3,000-150,000 SQ.FT.
300 yards from Town Centre



Joint sole agents:
MATTHEWS GOODMAN
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Valuable building land with outline planning permission for residential development
Approx 1 93 hectares (about 4.77 acres)
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Telephone 01-408 1161

**Canvey Town Centre, Essex**
As part of the new Canvey Central Shopping and Business Area
**A new Office Building of up to 30,000 sq. ft. To Let**
**No O.D.P. needed**
London (Fenchurch Street) 37 mins from Benfleet Station
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Tel. 01-493 4932
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Tel. 38281
**BEDFORD**
**THE ELMS INDUSTRIAL ESTATE**
A development by Hitchin Industrial Estates Limited, situated on an established industrial estate on the A.428, Bedford to Cambridge Road.
New factory/warehouse units to let in units from 20,000 sq. ft. to 150,000 sq. ft.
Two units at present under construction for completion in May, 1974.

UNIT 1
Warehouse 6,250 sq. ft.
Office 600 sq. ft.
Rental £5,130 per annum exclusive

UNIT 2
Warehouse 6,250 sq. ft.
Office 800 sq. ft.
Rental £5,250 per annum exclusive

LEASE 35 years on F.R. & I. basis, rent reviews every 5th year.

INTERNATIONAL TRADING ESTATE
HAYES, MIDDLESEX
**LAST THREE UNITS**
WAREHOUSES OF 54,176 SQ. FT.
53,305 SQ. FT.
36,293 SQ. FT.
Brand New, Immediate Occupation
APPLY
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J.TREVOR & SONS
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BERNARD THORPE & PARTNERS
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**CITY OFFICES**
**LONDON WALL EC2**
TWO OFFICE SUITES
1,900 sq. ft. 3,500 sq. ft.
**FLEET STREET EC4**
OFFICE SUITE 700 sq. ft.
FAREBROTHER, ELLIS & CO
29 FLEET STREET LONDON EC4Y 1AL 01-353 9344

MID DEVON INDUSTRIAL ESTATE
LAPFORD
62,000 sq. ft. for sale
Situated on the Exeter to Barnstaple A377 with extensive car and lorry parking space. Offers to purchase or lease parts only will be considered. Industrial users preferred.
For details contact I. G. Cooper, Group Estates Surveyors Department, Grand Metropolitan Limited, 7/8, Stratford Place, London W1A 4YU. Telephone: 01-629 6618, Ext. 336.

**HAILSHAM — SUSSEX**
**18 ACRES APPROX.**
**RIPE FOR INDUSTRIAL DEVELOPMENT**
**GOOD LEVEL LAND**
FOR SALE BY PRIVATE TREATY
Apply Joint Sole Agents:
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Tel: (0323) 36244.
Also at Brighton, Hove & Worthing
RAMSDEN & ALLEN
Surveyors
79A HIGH STREET, BATTLE, SUSSEX TN33 0AG
Tel: Battle 3285

**SITE FOR PUBLIC HOUSE**
**(or Shops and Flats)**
ADJOINING ESTABLISHED LEISURE CENTRE IN HIGH DENSITY RESIDENTIAL AREA OF
**CENTRAL LONDON**
GROUND LEASE
**FOR SALE**
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56-62 WILTON ROAD 01-834 8454 LONDON SW1V 1DH

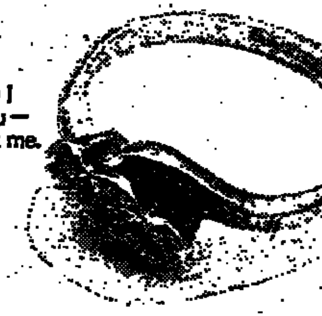
هكذا من الأصل

# Dear 'Jilted of Jarrow.'

You mean he actually left you standing at the altar because someone had just found a site for his boss's new factory and he couldn't wait to take a look?

Well, when the next 'Mr. Right' comes along — check he's not looking for a new factory or warehouse. If he is, then tell him to contact me at least the day before the great day and I'll do the worrying about his new premises.

Yours faithfully,
M.P.D.
P.S. No, I'm sorry I cannot marry you — my wife won't let me.



Offices — Marshall House, Preston. 3,000 to 27,000 sq. ft.
Stratford. 3,000 to 13,360 sq. ft.

MPD

Full details from Bernard Stewart-Deane
Metropolitan Property Developments Ltd
68 Albert Court Prince Consort Road London SW7 2BN Phone 01-589 7080
A member Company of the Sears Holdings Group

# NEW COVENT GARDEN MARKET

near Vauxhall

## RETAIL OUTLETS TO LET

Enquiries are also invited from companies and organisations connected with the Market or the horticultural trade interested in occupying on lease

## PRESTIGE AIR-CONDITIONED OFFICES

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KF + R
20 Hanover Square,
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Telephone 01-629 8171

# INDUSTRIALS

| | |
|---|---|
| CHERTSEY, Surrey. | 28,365 sq.ft. factory/warehouse inc. 5,200 sq.ft. detached offices. To Let or Freehold. |
| WOKING, Surrey. | 25,423 sq.ft. factory with good offices and yard areas. To Let. |
| HIGH WYCOMBE, Bucks. | 33,000 sq.ft. warehouse, available mid-1974. Good yard and offices. To Let. |
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| HOUNSLOW, Middx. | ½ acre greenbelt site, close to existing factories. Freehold £85,000. o.n.o |

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OVER

MODERN FACTORY TO LET

possible warehouse use

500 sq.ft
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500 sq.ft

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Lease by arrangement

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Ground Floor shop area 924 sq. ft. and also Storage area 294 sq. ft. with SERVICING ACCESS.

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Chartered Surveyors, 134 High Street, Stockton-on-Tees. (Tel. 65555/6)

Solicitors: Messrs. Newby, Robson & Codle, 10 Finkle Street, Stockton-on-Tees. (Tel. 66666.)

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# Development Site at Halstead (Essex) For Sale By Tender

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A new office development within 15 miles of Central London
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All amenities

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GROUND FLOOR OFFICES. Entire building commanding main street position. 25 YEARS LEASE. Ample car parking.
ALSO
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Purpose built offices, entire first floor. 2,000 SQ. FT.
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RESTAURANT SHOPS OFFICE/STORES AND LIGHT INDUSTRIAL PREMISES
CURRENT INCOME £7,450 pa
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Vacant Possession Immediate
Offers invited for Freehold

DETACHED HOUSE
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| | |
|---|---|
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## WANTED

CASH AVAILABLE
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Details to
Mrs. P. J. Wayne, N.A.M.B., Queen's House, 2, Holly Road, Twickenham, Middx. TW1 4EJ.

# STOCK EXCHANGE DEALINGS from the Official List for Nov. 8

| | | | | | |
|---|---|---|---|---|---|
| Thursday, November 8 | 8,519 | Tuesday, November 6 | 8,458 | Friday, November 2 | 7,885 |
| Wednesday, November 7 | 8,133 | Monday, November 5 | 8,903 | Thursday, November 1 | 7,180 |

The list below gives the prices at which bargains done yesterday by members of The Stock Exchange were recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later *transactions can be included in the following day's Official List. No indication* is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds *or in new pence and fractions of new pence.*

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ✣ Bargains done previous day. ✣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

## FOOD PRICE MOVEMENTS

| | Nov. 8 £ per ton | Week ago £ per ton | Month ago £ per ton |
|---|---|---|---|
| **BACON§** | | | |
| Danish A.1¶ | 680 | 700 | 700 |
| British A.1¶* | 670 | 690** | 690** |
| Irish Special | 660 | 680 | 660 |
| Polish A.1¶ | 650 | 660 | 660 |
| Ulster A.1¶ | 660 | 680 | 680 |
| **BUTTERS§** | per cwt | per cwt | per cwt |
| NZ packet | 22.20-22.25 | 22.00-22.25 | 22.15-22.25 |
| English packet† | 24.25 | 24.25 | 24.25-24.30 |
| Danish salted packet† | 26.25 | 25.89-26.90 | 26.25-26.85 |
| **CHEESES§** | | | |
| English cheddar white rindless 40-lb sel. | 25.00-25.50 | — | 25.00-25.50 |
| NZ finest rindless 40-15 block | 24.05 | 24.05 | 24.05 |
| **EGGS*** | | | |
| Home-prod. Standard | 3.50-3.65 | 3.50-3.60 | 3.50-3.65 |
| Large | 3.60-3.70 | 3.60-3.70 | 3.60-3.80 |
| | Nov. 8 per pound | Week ago per pound | Month ago per pound |
| **BEEF** | p p | p p | p p |
| Scotch killed sides | 28.2—30.5 | 27.0—30.0 | 27.0—30.0 |
| Eire forequarters | 21.0—23.0 | 21.0—23.0 | 21.0—22.5 |
| Argentine chilled rumps | 63.0—64.0 | 63.0—64.0 | 60.0—62.0 |
| **LAMB** | | | |
| English | 27.0—32.0 | 27.0—32.0 | 28.0—32.0 |
| NZ 2s-Ds | 30.0—30.4 | 29.0—30.0 | 30.0 |
| **PORK** (all weights) | 19.0—28.0 | 19.0—28.0 | 18.0—27.5 |
| **MUTTON** | | | |
| English ewes | 14.0—15.0 | — | 11.5—13.0 |
| **POULTRY‡** | | | |
| Broiler chickens weights (oven ready) | 20.0—22.5 | — | 21.0—24.5 |

* London Egg Exchange prices per 120 eggs on November 6. † Delivered. ‡ Prices on November 7. § London and National Provision Exchange price. ¶ For week commencing November 5. ** FMC price.

## ACTIVE STOCKS

Prices in pence except where otherwise indicated.

| Stock | Denomination | No. of marks | Closing price | Change on day | 1973 high | 1973 low |
|---|---|---|---|---|---|---|
| House of Fraser | 25p | 22 | 135 | − 8 | 158 | 104 |
| BP | £1 | 19 | 558 | +16 | 600 | 465 |
| Shell Transport | 25p | 18 | 236 | +10 | 363 | 240 |
| Beecham | 25p | 17 | 296 | + 9 | 311 | 249 |
| Lonrho | 25p | 17 | 94 | + 3 | 132 | 54 |
| Boots | 25p | 15 | 258 | − 4 | 310 | 225 |
| A.W. (Securities) | 10p | 13 | 120 | +31½ | 122 | 63 |
| Burmah Oil | £1 | 13 | 432 | +14 | 506 | 384 |
| De Beers Defd. | R0.05 | 13 | 329 | +10 | 412 | 317 |
| Amal. Inv. & Prop. | 25p | 12 | 149½ | + 2 | 158 | 69 |
| Country & N. Town | 10p | 12 | 62 | + 4½ | 64 | 32 |
| ICI | £1 | 12 | 243 | + 4 | 294 | 235 |
| Metal Box | £1 | 12 | 271 | +13 | 323 | 235 |
| GEC | 25p | 11 | 150 | + 4 | 154 | 127 |
| Land Secs. | 50p | 10 | 264 | − 2 | 273 | 157 |

*The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.*

## Option Report—3-month Call rates

**OPTION DEALING DATES**

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| Nov. 6 | Nov. 19 | Feb. 7 | Feb. 19 |
| Nov. 20 | Dec. 3 | Feb. 21 | Mar. 5 |
| Dec. 4 | Dec. 17 | Mar. 7 | Mar. 19 |

The Option market was quieter yesterday on declaration day. Money was given for the call in Shell Transport, House of Frazer, ICI, International Combustion, Greene King, Curzon Industries, National Carbonising, Burmah Oil, Edinburgh Industrial, G... Property Trust, Ultramar, Rio Tinto, BSR and Barker and Dobson. A put was done in San Paulo Railway, while doubles were arranged in Land Securities, ... (G.B.), Amalgamated Investment and Property warrants and South Pacific Properties.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Industrials** | | Glaxo | 26 | Slater Walker | 12 | **Mines** | |
| | | Grand Met. | 8 | Spillers | 5 | Anglo Amer. | |
| A.P. Cement | 15 | G.U.S. "A" | 12 | Tesco | 6 | Broken Hill Prop. | |
| Assoc. Leisure | 4 | Guardian | 29 | Thorn "A" | 24 | Cast | |
| Barclays Bank | 20 | G.K.N. | 15 | Tube Invest. | 30 | Charter Cons. | |
| Beecham | 20 | Hawker Sidd. | 30 | Unilever | 23 | Charterhall Pin. | |
| Boots Drug | 17 | I.C.I. | 13 | Utd Drapery | 10 | Cons. Gold | |
| Bowaters | 12 | "Imps" | 5½ | Vickers | 9 | De Beers Def. | |
| B.A.T. | 16 | I.C.L. | 11 | Woolworths | 6 | F. S. Geduld | |
| British Leyland | 2½ | Inveresk Paper | 4 | | | Great Boulder | |
| British Oxygen | 6 | Jessel Sec. | 9 | **Property** | — | Hampton Areas | |
| Burton "A" | 15 | Legal & General | 20 | Cap Counties | 13 | Hampton Prop. | |
| Cadbury's | 6 | Lloyds Bank | 20 | Land Securities | 15 | Kloof | |
| Cannon St. | 7 | "Lofs" | 9 | Peachey | 12 | Lonrho | |
| Courtaulds | 8 | "Mams" | 13 | Star (Gt. Britain) | 13 | Loraine | |
| Debenhams | 9 | Marks & Spencer | 12 | Town & City | 13 | Metals Explor. | |
| Distillers | 10 | March (L.) | 9 | Town & Comm. | 13 | Poseidon | |
| Dunlop | 8 | Midland Bank | 20 | | | Pres. Steyn | |
| Eldridge Stleld | 5 | Natl. West Bank | 20 | **Oils** | | Rio T. Zinc | |
| E.M.I. | 12 | P & O Dfd. | 25 | Brit. Petroleum | 21 | Welcom. | |
| First National | 7 | Plessey | 9 | Burmah Oil | 21 | West Areas | |
| G.R.A. Trust | 8 | R.H.M. | 6 | Oilsearch | 3 | Western M'ng. | |
| Gen. Accident | 13 | Rank Org. "A" | 35 | Shell | 18 | Zambia Copper | |
| Gen. Electric | 9 | Reed Intl. | 25 | Ultramar | 18 | | |

## REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

**BELFAST**

| | | |
|---|---|---|
| B'fast 6½%80 | £66½xd | ...... |
| Finlay Pkg 5p | 26xd | ...... |
| Hughes (B) (£1) | 120 | ...... |
| N'Irish So't Inv | 39½ | ...... |

**IRISH EXCHANGE**

| | | |
|---|---|---|
| Exeq. 6¾%80/85 | £67.76xd | ...... |
| Alliance Gas £1 | 91 | ...... |
| Carroll (P. J.) | 148 | −2 |
| Cons. Prod. Irs. | 160 | ...... |

| | | |
|---|---|---|
| Evered | 38 | ...... |
| Pr'nt & Reed 50p | 260 | +5 |
| Gardiner £1 | 67½ | ...... |
| Graig Sh'p £1 | 740 | ...... |
| Hal'm Sl'gh 10p | 20½ | ...... |
| Kleen-e-ze | 56 | ...... |
| Lovell's Ship £1 | 200 | ...... |
| Pearce C.H. | 120 | ...... |
| Sindall (Wm.) | 117 | ...... |
| Vincent (H.) | 127½xd | −2½ |

| | |
|---|---|
| Gardner (J.) | 163 |
| Hartl'y'nd 20p | 41½ |
| Higson Brew. | 127 |
| Holt Jos'ph 25p | 189 |
| I.O.M. Stm £1 | 152½ |
| Nichols Vim | 105½ |
| Nthn Gld'mth | 128½ |
| P.M.A. | 165 |
| Peel Mills | 30 |
| Sayers Con 12½ | 23 |
| Shiloh Spinn. | 36 |
| Swan Lan 33½p | 38 |
| Twn'r Rut 20p | 70 |

# MONEY MARKET

## Adequate credit supply

Bank of England Minimum Lending Rate 11¼% (since October 19, 1973)

Credit was full supply in the London money market yesterday, and the Discount houses balanced their books without official intervention. Banks carried over a surplus from the previous day—as had been expected in some quarters—while other (modest) factors broadly balanced each other.

Discount houses bid 9½ per cent. or so for secured call loans to start with, but by the end balances were being found at levels of 8 per cent. to 6 per cent. or 5 per cent. In the inter-bank market, overnight loans commanded about 10¾ per cent. to begin with, but by the early afternoon were at 9-8½ per cent., and fell away subsequently to 6 per cent., and eventually 1-1½ per cent.

The latest bank-advances figures contributed to some uncertainty in short-term fixed period rates, as did this week's rise in the U.S. Treasury bill rates, but there were no marked changes in sterling certificate yields, for instance, with the one-month rate ending to 11⅞-11¾ per cent., against the previous 12-11⅞ per cent., the three-month easing a shade to 12$\frac{1}{16}$-12$\frac{1}{16}$ per cent., from 12⅛-12¼ per cent., and the one-year a shade to 12$\frac{11}{16}$-12$\frac{11}{16}$ per cent., from 12¾-12⅞ per cent.

Rates in the table below are nominal in some cases.

| Nov. 8 1973 | Sterling Certificates of deposits | Inter-bank | Local Authority deposits* | Local Auth. negotiable bonds | Finance house deposits | Company deposits | Discount market deposits | Treasury bills⊕ | Bank bills⊕ | Fine trade bills‡ |
|---|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 1-10¾ | 8½-10¼ | — | — | 10¼-10¾ | 5-9⅛ | — | — | — |
| 2 days notice | — | — | 11-11½ | — | — | 11½-11¾ | — | — | — | — |
| 7 days or 7 days notice | — | 10⅛-11⅛ | 11¼-11½ | — | 11½ | 11¾-12 | 10-10⅛ | — | — | — |
| One month | 11⅞-11¾ | [illegible]-11⅞ | 11⅝-11⅞ | 11⅞-11¼ | 11⅞-12 | — | 10½-10¾ | [illegible] | 11¼-11⅝ | 12-15⅛ |
| Two months | 12⅛-12 | [illegible]-12⅛ | — | [illegible]-11¼ | 12⅝ | — | 10½-10⅞ | [illegible] | 11¼-11⅝ | 12-15⅛ |
| Three months | [illegible] | 12¼-12⅝ | 12¼-12⅝ | 12⅝-[illegible] | 12½ | — | 10⅛-11 | 10⅝-10¾ | 11¼-11[illegible] | 12-15⅛ |
| Six months | [illegible] | [illegible] | 12⅝-12¾ | 12⅞-12 | 12⅞-13 | — | — | — | 12-12¼ | 12⅛-13¾ |
| Nine months | [illegible] | [illegible] | — | 12⅞-12 | 12⅞-13 | — | — | — | — | — |

## BANK BASE RATES

| | |
|---|---|
| Allied Irish Banks Ltd. | 11 % |
| Anglo-Eastern Bank | 11½% |
| Anglo-Portuguese Bank | 11 % |
| Henry Ansbacher | 11 % |
| Audley Holdings Ltd. | 11 % |
| Banco de Bilbao | 11 % |
| Bank of Cyprus | ‡11½% |
| Barclays Bank | 11 % |
| ■ Wm. Brandt's | 11 % |
| Brit. Bk. of Commerce | 11½% |
| Brit. Bank of Mid. East | 11 % |
| ■ Brown Shipley | 11 % |
| Cedar Holdings | 11 % |
| ■ Charterhouse Japhet | 11 % |
| Choulartons | 11 % |
| C. E. Coates | 11½% |
| Consolidated Credits | 11 % |
| Co-operative Bank | *11 % |
| Copleys Bank | 11 % |
| Corinthian Securities | 11 % |
| Credit Lyonnais | 11 % |
| Credito Italiano | 11 % |
| G. R. Dawes | 11 % |
| Dawnay Day | 11½% |
| Duboff Brothers | 11 % |
| Dunbar and Co. Ltd. | 11½% |
| Duncan Lawrie | 11 % |
| English Transcont. | 11 % |
| First Maryland | 11½% |
| FNFC | 11½% |
| ■ Antony Gibbs | 11 % |
| Gresham Trust | 11½% |
| Greyhound Guaranty | 11 % |
| ■ Guinness Mahon | 11 % |
| ■ Hambros Bank | 11 % |
| Hawtin & Partners | 11 % |
| ■ Hill Samuel | §11 % |
| C. Hoare & Co. | †11 % |
| Julian S. Hodge | 11½% |
| Italian International | 11½% |
| Jacobs, Kroll | 11½% |
| Keyser Ullmann | 11 % |
| Kinghurst Securities | 11½% |
| Lloyds Bank | 11 % |
| London & County Sec. | 11½% |
| London Cavendish | 11½% |
| London Mercantile | 11½% |
| Midland Bank | 11 % |
| ■ Samuel Montagu | 11 % |
| Moorgate Mercantile | 11 % |
| ■ Morgan Grenfell | 11 % |
| Morris Wigram Ltd. | 11½% |
| National Westminster | 11 % |
| Northern Comm. Trust | 11½% |
| Portman Guaranty | 11½% |
| ■ Rea Brothers | 11½% |
| P. S. Refson & Co. | 11 % |
| ■ N. M. Rothschild | 11 % |
| St. Mary Axe Finance | 11½% |
| E. S. Schwab | 11 % |
| Security Tst. Co. Bhm. | 11½% |
| Shenley Trust | 11 % |
| Standard Guarantee | 11½% |
| Sterling Credit | 11½% |
| Sterling Industrial Sec. | 11½% |
| Swiss-Israel Trade Bk. | 11 % |
| Thames Guaranty | 11 % |
| Twentieth Century Bk. | 11 % |
| Wallace Bros. Sassoon | 11½% |
| Whiteaway Laidlaw | 11 % |
| G. T. Whyte | 11 % |
| Williams & Glyn's | 11 % |
| Wintrust | 11½% |

■ Members of the Accepting Houses Committee.
* 7-day deposits 9½%; 1-month 9¾% £10,000 and over, 9½% below.
† 7-day deposits — £10,000 and under 9½%; up to £25,000 9¾%; over £25,000 10%.
§ Demand Deposits 10% £10,000 and over; 9½% under £10,000.
‡ Linked to M.L.R.

## CORAL INDEX

Close 427-432

## NEW "HIGHS" AND "LOWS" FOR 1973

## New "Highs"—(46)

BUILDINGS (2)
Burns-Anderson French (W. & C.) 'A'
DRAPERY & STORES (2)
Rivlin (I. D. & S.) Wades 'A'
ELECTRICALS (1)
Scholes (G. H.)
ENGINEERING (5)

## New "Lows"—(27)

BANKS (1)
Wagon Finance

## RISES AND FALLS YESTERDAY

| | Up | Down | Same |
|---|---|---|---|
| Oils | 13 | 8 | 10 |
| Plantations | 16 | 5 | 35 |
| Mines | 21 | 50 | 89 |
| Recent Issues | 18 | 9 | 26 |
| Totals | 749 | 381 | 1,775 |

# Finance, administration executives best paid

FINANCIAL TIMES REPORTER

BRITISH COMPANIES consider the finance and administration functions as the most important in business and remunerate executives accordingly, Mr. Robin Gowiland, managing director of Egon Zehnder International, London, considers. Britain is the only EEC country which pays directors of finance and administration in large companies beter than marketing and sales directors, he maintained in London yesterday.

This is the main finding of the latest salary survey conducted on behalf of the European business magazine Vision by management consultants Egon Zehnder International. The survey shows that in vry big British companies the top finance men may get as much as 70 per cent. of the chief executive's salary and 30 per cent. more than the marketing director.

In small companies, though, finance directors are better paid in Germany, Italy and France.

According to Mr. Gowiland, financial and administrative skills were at a premium in the U.K. where industry was more highly diversified and hence administration more complicated.

Typical gross salaries for finance an dadministrative directors in a £10m. turnover company were £8,000 in the U.K. and Italy, £10,100 in France and £13,500 in Germany. An earlier survey by the group showed salaries for marketing an dsales directors in the same sized company at £7,400 in the U.K., £11,000 in France and £14,000 in Germany.

# New Argyll pottery plant

A NEW POTTERY industry which, it is claimed, will quickly become one of the largest in the Scottish Highlands and islands is to be established next year in Dunoon, Argyll.

The development, prompted by two former senior executives with an established English pottery group, will service as an international market with high quality ceramic tableware.

Principals of the company, Dunoon Ceramics, are Mr. Gordon Smith, former marketing director of Staffordshire Potteries, and Mr. William Harvey, until recently general manager with the Staffordshire firm.

Cost of the development is estimated at more than £100,000. The Industrial and Commercial Finance Corporation and the Highlands and Islands Development Board are providing finance. The Board is leasing to the company its 8,000 square feet advance factory, being built in Dunoon.

Forty-three jobs, 19 for men and 24 for women, will be created in the first year, beginning in June, 1974. Most of the employees will be from the Dunoon area. Recruitment has already begun and a training scheme is to be introduced for unskilled workers.

Mr. Smith said: "In order to serve the Scottish tourist and souvenir market, which will be our major outlet, we saw the need to establish a corporate, high quality, image associated with Scotland and the Highlands.

Dunoon is an ideal location. It has a healthy tourist industry and provides us with a model factory in attractive surroundings which we will encourage tourists to visit. It is also outside traditional areas of pottery production, allowing us to build up an identifiable image, which will assist sales."

He added that 30 per cent. of production would be exported, mainly to Europe and North America.

## INSURANCE BASE RATES

† Atlantic Assurance ... 13¼%

† Address shown under Insurance and Property Bond table.

# F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

| EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section) | Thu. Nov. 8, 1973 Index No. | Day's Change % | Est. Ern'ngs yield % (full) | Gross Div. yield % | Est. P/E Ratio (net) | Est. P/E Ratio (nil) | Wed. Nov. 7 Index No. | Tuesday Nov. 6 Index No. | Monday Nov. 5 Index No. | Friday Nov. 2 Index No. | Year ago (approx.) Index No. | 1973 High | 1973 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CAPITAL GOODS (185) | 162.62 | +0.9 | 10.73 | 4.34 | 12.91 | 12.89 | 161.17 | 161.54 | 163.12 | 164.27 | 171.89 | [illegible] | [illegible] | [illegible] | [illegible] |
| Building Materials (29) | 161.57 | +0.7 | 12.41 | 4.42 | 11.04 | 11.04 | 160.48 | 161.07 | 163.94 | 165.87 | 181.85 | 196.89 | 157.90 | 253.84 | 85.01 |
| Contracting, Construction (22) | 293.84 | +1.2 | 10.80 | 2.92 | 13.07 | 13.03 | 290.48 | 292.54 | 294.37 | 296.21 | 333.56 | 348.47 | 263.95 | 389.33 | 84.39 |
| Electricals (17) | 290.30 | +1.9 | 10.34 | 3.54 | 13.25 | 13.25 | 284.75 | 283.86 | 286.44 | 288.02 | 272.80 | 307.90 | 258.44 | 350.04 | 84.71 |
| Engineering (Heavy) (15) | 175.28 | +0.4 | 11.67 | 4.43 | 11.31 | 11.31 | 174.58 | 174.81 | 175.24 | 176.25 | 153.46 | 202.57 | 153.41 | 202.57 | 151.45 |
| Engineering (General) (64) | 135.07 | +0.8 | 10.46 | 5.29 | 13.35 | 13.36 | 134.04 | 133.99 | 135.49 | 136.47 | 147.51 | 156.64 | 128.16 | 168.59 | 128.16 |
| Machine and Other Tools (14) | 57.48 | +0.6 | 5.16 | 6.75 | 33.26 | 30.79 | 57.15 | 57.11 | 57.58 | 57.75 | 57.44 | 67.88 | 56.13 | 136.70 | 43.88 |
| Miscellaneous (24) | 146.66 | —0.8 | 9.46 | 4.23 | 14.77 | 14.74 | 147.84 | 148.30 | 149.67 | 149.99 | 158.78 | 173.76 | 141.59 | 177.41 | 69.01 |
| CONSUMER GOODS (DURABLE) (59) | 173.60 | +1.4 | 11.56 | 3.54 | 12.01 | 11.97 | 171.15 | 172.28 | 173.07 | 174.48 | 196.20 | 210.88 | 163.78 | 227.78 | 79.16 |
| Lt. Electronics, Radio TV (14) | 211.04 | +1.2 | 9.26 | 2.14 | 15.07 | 15.00 | 208.63 | 210.10 | 212.74 | 214.99 | 232.10 | 251.93 | 187.21 | 257.41 | 71.10 |
| Household Goods (16) | 222.59 | +3.9 | 13.12 | 5.80 | 10.56 | 10.50 | 214.23 | 214.56 | 217.36 | 217.65 | 231.79 | 257.99 | 198.60 | 363.28 | 86.65 |
| Motors and Distributors (29) | 93.21 | +0.8 | 14.51 | 5.66 | 9.52 | 9.51 | 92.46 | 93.19 | 92.12 | 92.77 | 113.46 | 122.75 | 92.12 | 170.59 | 75.92 |
| CONSUMER GOODS (NON-DURABLE) (169) | 173.23 | +0.9 | 9.92 | 4.25 | 13.89 | 13.77 | 171.75 | 172.10 | 173.05 | 174.57 | 207.93 | 212.13 | 165.43 | 226.08 | 83.71 |
| Breweries (16) | 201.47 | —0.3 | 9.85 | 4.35 | 14.53 | 14.53 | 202.13 | 200.76 | 201.51 | 205.74 | 268.71 | 266.23 | 187.61 | 281.87 | 80.30 |
| Wines and Spirits (8) | 207.78 | +0.3 | 8.83 | 4.07 | 15.99 | 15.99 | 207.06 | 206.53 | 206.96 | 208.55 | 213.68 | 216.12 | 174.44 | 257.40 | 118.78 |
| Entertainment, Catering (16) | 216.93 | +1.0 | 11.41 | 4.84 | 11.92 | 11.90 | 214.74 | 213.57 | 215.47 | 217.41 | 294.99 | 323.23 | 204.05 | 329.99 | 30.11 |
| Food Manufacturing (24) | 153.39 | +1.8 | 10.96 | 4.37 | 12.51 | 12.51 | 150.62 | 149.63 | 150.88 | 152.45 | 182.87 | 187.87 | 146.91 | 211.65 | 95.98 |
| Food Retailing (18) | 162.96 | +1.9 | 8.25 | 3.20 | 17.17 | 17.17 | 160.00 | 158.72 | 159.84 | 161.89 | 202.73 | 217.48 | 151.08 | 235.08 | 94.68 |
| Newspapers, Publishing (16) | 229.69 | +0.6 | 11.10 | 3.82 | 12.79 | 12.79 | 228.25 | 230.30 | 230.66 | 229.68 | 236.35 | 260.29 | 216.08 | 260.29 | 81.74 |
| Packaging and Paper (14) | 103.89 | +2.3 | 10.91 | 6.24 | 12.54 | 12.51 | 101.59 | 101.98 | 103.91 | 104.40 | 125.44 | 126.47 | 96.32 | 136.69 | 87.91 |
| Stores (28) | 156.78 | +0.6 | 8.44 | 3.55 | 16.93 | 16.91 | 155.84 | 158.01 | 158.45 | 159.51 | 183.62 | 186.50 | 148.34 | 204.39 | 72.74 |
| Textiles (20) | 179.60 | +1.2 | 12.70 | 5.15 | 9.26 | 8.64 | 177.43 | 177.60 | 178.26 | 178.79 | 217.37 | 213.80 | 161.88 | 253.72 | 69.90 |
| Tobacco (3) | 246.34 | +0.5 | 11.46 | 6.38 | 12.14 | 12.09 | 245.06 | 246.34 | 248.90 | 249.74 | 282.76 | 289.66 | 238.48 | 339.16 | 94.34 |
| Toys and Games (6) | 69.43 | —1.1 | 11.22 | 3.17 | 12.44 | 12.44 | 70.22 | 70.29 | 70.78 | 71.24 | 73.53 | 80.79 | 61.76 | 136.72 | 44.90 |
| OTHER GROUPS | | | | | | | | | | | | | | | |
| Chemicals (22) | 166.89 | +1.2 | 8.12 | 4.25 | 16.66 | 16.63 | 164.89 | 165.28 | 166.47 | 168.81 | 181.84 | 191.47 | 155.24 | 201.92 | 93.89 |
| Office Equipment (10) | 188.56 | +0.8 | 5.42 | 2.25 | 24.33 | 24.33 | 187.13 | 187.29 | 187.69 | 190.87 | 214.44 | 227.62 | 163.95 | 246.06 | 109.12 |
| Shipping (10) | 475.04 | +0.9 | 8.40 | 3.71 | 14.13 | 12.78 | 470.90 | 469.26 | 473.24 | 473.84 | 472.00 | 515.97 | 420.07 | 517.00 | 90.80 |
| Miscellaneous (41) | 203.42 | +0.8 | 9.68 | 3.87 | 14.54 | 14.53 | 201.78 | 202.93 | 202.77 | 204.72 | 236.65 | 252.39 | 188.52 | 258.85 | 76.52 |
| INDUSTRIAL GROUP (496) | 175.14 | +0.9 | 9.84 | 4.10 | 13.98 | 13.88 | 173.50 | 173.91 | 175.00 | 176.59 | 199.82 | 207.00 | 164.67 | 240.17 | 120.81 |
| Oil (4) | 274.74 | +3.3 | 5.47 | 4.48 | 24.24 | 18.31 | 265.89 | 267.71 | 264.57 | 270.76 | 295.05 | 328.59 | 247.06 | 461.66 | 87.24 |
| 500 SHARE INDEX | 183.81 | +1.2 | 9.30 | 4.15 | 14.74 | 14.30 | 181.58 | 182.10 | 182.85 | 185.23 | 207.89 | 217.40 | 174.51 | 227.96 | 84.86 |
| FINANCIAL GROUP (101) | 198.32 | +1.1 | — | 3.09 | — | — | 196.25 | 197.77 | 199.37 | 198.19 | 212.45 | 250.48 | 173.06 | 241.41 | 69.83 |
| Banks (6) | 218.66 | +2.3 | 12.27 | 2.88 | 11.52 | 11.52 | 213.69 | 215.84 | 219.15 | 218.11 | 250.96 | 259.62 | 189.81 | 288.32 | 69.25 |
| Discount Houses (8) | 193.63 | +0.2 | — | 6.06 | — | — | 193.27 | 194.65 | 196.74 | 198.70 | 226.37 | 258.57 | 167.32 | 295.13 | 87.66 |
| Hire Purchase (5) | 336.81 | +0.1 | 10.17 | 3.74 | 13.97 | 13.97 | 336.49 | 339.18 | 342.13 | 346.71 | 361.41 | 374.92 | 288.83 | 435.72 | 80.02 |
| Insurance (Life) (9) | 145.17 | +1.1 | — | 3.77 | — | — | 141.68 | 141.26 | 142.21 | 144.19 | 182.21 | 186.26 | 128.52 | 194.46 | 61.35 |
| Insurance (Composite) (8) | 108.11 | +1.0 | — | 4.72 | — | — | 107.05 | 107.04 | 107.93 | 108.59 | 131.90 | 141.37 | 102.16 | 155.76 | 54.40 |
| Insurance (Brokers) (8) | 218.82 | +0.4 | 7.27 | 3.39 | 19.44 | 19.44 | 217.91 | 220.82 | 222.66 | 221.71 | 235.58 | 249.06 | 190.98 | 262.37 | 82.59 |
| Merchant Banks (18) | 199.02 | — | — | 2.78 | — | — | 198.96 | 198.98 | 200.36 | 201.22 | 217.12 | 253.12 | 184.86 | 278.57 | 80.47 |
| Property (29) | 349.84 | +0.6 | 2.98 | 1.77 | 45.21 | 44.32 | 347.76 | 353.99 | 354.52 | 343.88 | 275.88 | 354.52 | 222.63 | 354.52 | 56.01 |
| Miscellaneous (10) | 198.69 | —0.2 | 9.90 | 4.50 | 14.36 | 14.36 | 199.08 | 198.26 | 199.51 | 199.19 | 236.08 | 281.14 | 174.94 | 303.13 | 120.06 |
| Investment Trust Group (50) | 184.72 | +0.7 | 3.10 | 3.13 | 32.35 | 32.21 | 183.50 | 183.83 | 185.91 | 187.66 | 223.31 | 226.13 | 171.91 | 246.79 | 80.64 |
| ALL-SHARE INDEX (651) | 185.69 | +1.2 | — | 3.85 | — | — | 183.57 | 184.28 | 185.29 | 186.85 | 208.34 | 219.02 | 172.39 | 228.18 | 63.72 |
| COMMODITY GROUPS (Not included in 500 or All-Share indices) | | | | | | | | | | | | | | | |
| 44 Rubbers (10) | 462.95 | +1.0 | 4.70 | 4.39 | 28.36 | 22.71 | 458.44 | 457.48 | 463.25 | 463.25 | 335.48 | 565.37 | 415.62 | 556.37 | 84.08 |
| 45 Teas (10) | 112.86 | — | 2.89 | 7.79 | 53.44 | 40.30 | 112.90 | 113.00 | 112.52 | 110.69 | 99.73 | 120.92 | 102.71 | 121.47 | 59.96 |
| 46 Coppers (4) | 380.71 | —0.3 | 26.66 | 12.60 | 3.75 | 3.75 | 381.84 | 383.62 | 388.41 | 387.10 | 428.88 | 567.78 | 350.66 | 567.78 | 94.08 |
| 47 Mining Finance (11) | 99.22 | — | 6.76 | 3.06 | 15.81 | 15.78 | 99.27 | 99.11 | 100.05 | 100.47 | 111.13 | 127.69 | 97.24 | 175.90 | 70.95 |
| 48 Tins (8) | 95.26 | — | 7.53 | 6.73 | 17.82 | 14.09 | 95.25 | 95.70 | 96.14 | 96.05 | 91.32 | 128.34 | 85.67 | 128.34 | 54.83 |

| FIXED INTEREST | Thurs. Nov. 8 Index No. | Thurs. Nov. 8 Yield % | Wed. Nov. 7 | Tuesday Nov. 6 | Monday Nov. 5 | Friday Nov. 2 | Thursday Nov. 1 | Wed. Oct. 31 | Tuesday Oct. 30 | Year ago (approx.) | 1973 High | 1973 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 Consols 2½% yield | — | 11.42 | 11.46 | 11.41 | 11.41 | 11.33 | 11.33 | 11.32 | 11.32 | 9.57 | — | — | — | — |
| 2 20-yr. Govt. Stocks (6) | 62.41 | †10.55 | 62.12 | 62.36 | 62.49 | 62.89 | 62.78 | 62.80 | 62.92 | 75.10 | 74.22 (25/1) | 61.00 (13/9) | 115.42 (11/9/63) | 61.00 (13/9/73) |
| 3 20-yr. Red. Deb. & Loans (15) | 61.33 | ‡12.11 | 61.24 | 61.29 | 61.36 | 61.38 | 61.38 | 61.44 | 61.44 | 71.44 | 72.05 (22/2) | 60.54 (1/10) | 113.48 (23/10/63) | 60.54 (1/10/73) |
| 4 Investment Trusts Prefs. (15) | 55.13 | 12.01 | 55.13 | 55.50 | 55.50 | 55.65 | 55.65 | 55.66 | 56.10 | 72.04 | 69.76 (15/1) | 52.81 (11/9) | 114.41 (13/9/63) | 52.81 (11/9/73) |
| 5 Coml. and Indl. Prefs. (20) | 69.19 | 11.86 | 69.35 | 69.35 | 69.29 | 69.32 | 69.23 | 69.20 | 69.17 | 78.94 | 77.53 (3/1) | 66.90 (17/9) | 114.41 (7/10/63) | 66.90 (17/9/73) |

| Section or Group | Base Date | Base Value |
|---|---|---|
| Engineering (Heavy) | 31/12/71 | 153.84 |
| Engineering (General) | 31/12/71 | 153.84 |
| Food Manufacturing | 29/12/67 | 114.13 |
| Food Retailing | 29/12/67 | 114.13 |
| Insurance Brokers | 29/12/67 | 96.67 |
| Mining Finance | 29/12/67 | 100.00 |
| Wines and Spirits | 16/1/70 | 144.76 |
| Toys and Games | 16/1/70 | 135.72 |
| Office Equipment | 16/1/70 | 162.74 |
| Industrial Group | 31/12/70 | 128.06 |
| Miscellaneous Financial | 31/12/70 | 128.06 |
| All Other | 10/4/62 | 100.00 |

‡ Redemption yield. F.T.-Actuaries Indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

CONSTITUENT CHANGE: Wilkinson Sword (Engineering General) has been replaced by Wolf Electric Tools (Machine Tools).

## INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
1-3, St. Paul's Churchyard, E.C.4

| | Bid | Offer | +/- | § Yield % |
|---|---|---|---|---|
| Abbey Eq. Nov. 8 | 31.6 | 33.3 | —0.6 | — |
| do. AccUnit Nov 8 | 24.0 | 25.3 | —0.6 | — |
| do. Abbey Pr Oct | 155.4 | 163.6 | +3.0 | — |
| do. Acc Unit Oct 4 | 140.3 | 148.4 | +2.6 | — |
| do. Pen Unit Oct | 144.8 | 152.5 | +2.9 | — |
| SelectiveIndNov 8 | 71.1 | 74.9 | +0.2 | — |
| do. Pen Unit Nov 8 | 62.2 | 65.5 | +0.3 | — |

Ebor Phoenix Assurance
4 Gt. St. Helen's, London, EC3.

| | | | | |
|---|---|---|---|---|
| Assured Bd Nov. 2 | 52.3 | | ..... | — |
| End'wmentsOct22 | 53.3 | | ..... | — |

Fidelity Life Assurance Ltd.
Fidelity House, Corporation Street, High Wycombe. Tel. HW 33321.

| | | | | |
|---|---|---|---|---|
| American GthFd | 40.6 | 42.7 | ..... | — |
| Flexible Fund | 21.4 | 22.5 | ..... | — |
| Trust of Trusts | 50.34 | 53.16 | ..... | — |

Life & Equity Assurance
Northcliffe House, Colston Ave., Bristol BS1 4XB.

| | | | | |
|---|---|---|---|---|
| Sel Inv Oct. 18 | 42.5 | 45.0 | ..... | — |
| SecondSelOct.18 | 25.5 | 27.0 | ..... | — |

Life Assur. Co. of Pennsylvania
39-42, New Bond St., NW1Y 0RQ.

| | | | | |
|---|---|---|---|---|
| ACOP Units | 920 | 966 | ..... | — |

Lloyd's Life Assurance Ltd.
12, Leadenhall St., EC3M 7LS.

| | | | | |
|---|---|---|---|---|
| L'Mult'GtFdNv.6 | 0.87140 | | ..... | — |

Royal Insurance Group
1, North John St., Liverpool.

| | | | | |
|---|---|---|---|---|
| RoyalShieldFnd | 106.4 | 112.5 | ..... | — |

Save & Prosper Group
4, Gt. St. Helen's, London, E.C.3.

| | | | | |
|---|---|---|---|---|
| Bal'nced Inv. Bd. | 98.8 | 104.0 | +0.1 | — |
| Equity Bonds | 87.4 | 92.1 | +0.1 | — |
| Equity PensionFd | 97.3 | 102.5 | +0.5 | — |
| Mini Bonds | 24.7 | 26.2 | ..... | — |
| Property Fds. | 121.1 | 127.5 | ..... | — |
| Pr'p. Pens. Fd. | 109.8 | 115.4 | ..... | — |

SHARE INFORMATION SERVICE: NOTES

SPECIAL LIST

NOVEMBER 8

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

NOVEMBER 8

# F.T. SHARE INFORMATION SERVICE

## BRITISH FUNDS

| 1973 High | 1973 Low | Stock | Price £ | + or – | Yield Int. | Yield Red. |
|---|---|---|---|---|---|---|
| | | **"Shorts" (Lives up to Five Years)** | | | | |
| 99 21/32 | 97½ | Treasury 5¼pc 1973 | 99 23/32 | +1/16 | — | 9.89 |
| 98 3/16 | 94 3/16 | Conv. 5¼pc 1974 | 97 3/32xd | +1/16 | 5.39 | 9.97 |
| 98⅛ | 94 7/16 | Treasury 5½pc 1974 | 96 7/16 | ..... | 5.70 | 10.00 |
| 99⅞ | 95⅝ | Treasury 6¾pc 1974 | 96 11/16xd | +1/16 | 6.98 | 10.08 |
| 97 11/16 | 93⅝ | Treasury 6pc 1975 | 95¼ | –1/32 | 6.30 | 10.14 |
| 99 15/16 | 94 15/16 | Treas. 8pc '75 | 96 15/16xd | +1/32 | 8.26 | 10.27 |
| 92⅝ | 88 9/16 | Savings 3pc '65-75 | 91 3/16 | +1/32 | 3.29 | 8.46 |
| 95 | 90 | Exch. 6½pc 1976 | 92 | +1/32 | 7.07 | 10.49 |
| 95¼ | 89 | Treasury 6½pc 1976 | 90 27/32 | +1/32 | 7.16 | 10.37 |
| 98½ | 96 | Victory 4pc 1976 | 96¼ | ..... | 4.14 | 5.83 |
| 98⅞ | 98½ | Treasury 10½pc 1976● | 98⅞xd | +1/32 | 10.62 | 10.96 |
| 91 23/32 | 85 5/16 | Treasury 6¼pc 1977 | 88½ | +1/16 | 7.08 | 10.41 |
| 87 | 82¾ | Electric 3pc '74-77 | 85½ | ..... | 3.52 | 8.17 |
| 85¼ | 80¾ | Transport 4pc '72-77 | 82¼ | –⅛ | 4.87 | 9.28 |
| 101 5/16 | 91 | Treasury 9pc 1978 | 92 13/16 | –3/32 | 9.70 | 11.08 |
| 86⅝ | 77¼ | Exchequer 5pc '76-78 | 81⅝ | +⅛ | 6.13 | 9.82 |
| | | **Five to Fifteen Years** | | | | |
| 75½ | 69¼ | Treasury 3pc 1979● | 71⅞ | +¼ | 4.29 | 9.46 |
| 81⅝ | 71⅞ | Electric 4¼pc '74-79 | 75½ | +¼ | 5.67 | 9.97 |
| 77⅝ | 70⅝ | Do. 3½pc '76-79 | 72½xd | +¼ | 4.85 | 9.72 |
| 100 3/16 | 89⅝ | Treasury 9pc 1980● | 91⅞ | +¼ | 9.98 | 11.19 |
| 75⅞ | 68⅛ | Treasury 3½pc '77-80 | 70½xd | +¼ | 4.97 | 9.66 |
| 83¼ | 74¼ | Funding 5¼pc '78-80 | 75½xd | +⅜ | 6.94 | 10.46 |
| 75¼ | 65¾ | Treasury 3½pc '79-81 | 68⅝ | +¼ | 5.16 | 9.78 |
| 97¼ | 85⅛ | Do 8¼pc '80-82 | 88⅝ | +¼ | 9.93 | 11.21 |
| 80⅝ | 70¼ | Funding 5½pc '82-84 | 73⅛ | +¼ | 7.71 | 10.04 |
| 95½ | 82⅞ | Treasury 8¾pc '84-86 | 85⅜ | +¼ | 10.26 | 11.03 |
| 81⅝ | 68⅛ | Funding 6½pc '85-87 | 70 | +¼ | 9.31 | 10.80 |
| 87¼ | 75 | Treasury 7¾pc '85-88 | 77⅝ | +¼ | 10.25 | 11.21 |
| 54⅞ | 46⅞ | Transport 3pc '78-88 | 48¼ | +⅛ | 6.30 | 9.80 |
| | | **Over Fifteen Years** | | | | |
| 68⅛ | 55¾ | Treasury 5pc '86-89 | 58 | +⅜ | 8.68 | 10.53 |
| 90⅞ | 76¼ | Treasury 8¼pc '87-90 | 77xd | +¼ | 10.61 | 11.24 |
| 72⅞ | 59¼ | Funding 5¾pc '87-91 | 61¾ | +⅜ | 9.42 | 10.71 |
| 72¾ | 59 | Funding 6pc 1993 | 61½ | +⅜ | 9.92 | 10.88 |
| 95½ | 80⅝ | Treasury 9pc '94 | 81xd | +⅜ | 11.09 | 11.37 |
| 47⅛ | 38¾ | Gas 3pc '90-95 | 39⅝ | +⅛ | 7.59 | 9.79 |
| 96¼ | 79⅜ | Treasury 9pc '92-96 | 82⅛ | +⅜ | 11.15 | 11.39 |
| 52 | 43 | Redp. 3pc '86-96 | 44¼ | +⅛ | 6.83 | 8.68 |
| 95⅛ | 77 | Treasury 8¾pc 1997 | 79⅞ | +⅜ | 11.20 | 11.42 |
| 75¼ | 61⅝ | Treasury 6¾pc '95-98 | 63⅛ | +⅜ | 10.73 | 11.21 |
| 98⅛ | 84⅛ | Treasury 9½pc 1999● | 86⅞ | +⅜ | 11.34 | 11.46 |
| 43¾ | 36 | Funding 3½pc '99-04 | 37⅞ | +¼ | 9.54 | 10.36 |
| 85¼ | 69⅛ | Treasury 8pc '02-06 | 71⅝ | +⅜ | 11.31 | 11.41 |
| 61⅛ | 48⅞ | Treasury 5½pc '08-12 | 50⅞ | +¼ | 11.02 | 11.17 |
| 79⅞ | 67⅝ | Treasury 7¾pc '12-15 | 70¼ | +⅜ | 11.41 | 11.43 |
| | | **Undated** | | | | |
| 40⅝ | 34⅛ | Consols 4pc | 35⅝ | +⅛ | 11.58 | — |
| 36¾ | 30½ | War Loan 3½pc | 30⅝xd | +⅛ | 11.35 | — |
| 37 | 29⅝ | Conv. 3½pc '61 Aft. | 31 | +⅛ | 11.43 | — |
| 31½ | 25 | Treasury 3pc '66 Aft. | 26⅜ | +⅛ | 11.50 | — |
| 25¾ | 21 | Consols 2½pc | 22⅛ | +⅛ | 11.42 | — |
| 26⅜ | 21 | Treasury 2½pc | 22⅛ | +⅛ | 11.44 | — |

●"Tap" Stocks

## INTERNATIONAL BANK

| 1973 High | 1973 Low | Stock | Price £ | + or – | Yield Int. | Yield Red. |
|---|---|---|---|---|---|---|
| 103 | 90 | 3½pc Stock '69-74 | 94 | ..... | 3.72 | 10.36 |
| 81 | 65¾ | 5pc Stock '77-82 | 66⅝ | ..... | 7.65 | 11.30 |
| 99¼ | 91½ | 8pc Stock 1976 | 92⅞ | +⅛ | 8.61 | 11.07 |

## CORPORATION LOANS

| 1973 High | 1973 Low | Stock | Price £ | + or – | Yield Int. | Yield Red. |
|---|---|---|---|---|---|---|
| 91 | 87 | Belfast 6pc '73-75 | 88⅜ | ..... | 6.68 | 13.87 |
| 91 | 83¼ | Bristol 6½pc '75-77 | 85 | ..... | 7.64 | 12.22 |
| 86⅜ | 78½ | Essex 5½pc '75-77 | 81 | +¼ | 6.79 | 12.08 |

## COMMONWEALTH & AFRICAN LOANS

## PUBLIC BOARD AND OTHER LOANS

## FOREIGN BONDS AND RAILS

U.S. $ DM Prices exclude inv. $ premium

## AMERICANS

S.E. List Premium 24¾% (based on $2.4186 per £)

## CANADIANS

S.E. List Premium 26⅞% (based on $2.4147 per £)

"Recent Issues" and "Rights" Page 27

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £250 per annum for each security.

For Notes, see page 41

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### Hire Purchase etc.

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## BUILDING INDUSTRY—Continued

## CHEMICALS, PLASTICS, ETC.

## CINEMAS, THEATRES AND TV

## DRAPERY AND STORES

## DRAPERY AND STORES—Continued

## ELECTRICAL AND RADIO

## ENGINEERING AND METAL

## ENGINEERING AND METAL—Cont.

## FOOD, GROCERIES, ETC.

## HOTELS AND CATERERS

## HOTELS—Continued

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## INDUSTRIALS—Continued

## INDUSTRIALS—Continued

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## SOUTH AFRICANS

## TEXTILES

## TEXTILES—Continued

## TOBACCOS

## TRUSTS, FINANCE, LAND

### Investment Trusts

## TRUSTS—Continued

### Finance, Land, etc.

## OILS

## RUBBERS AND SISAL

| 1973 High | Low | Stock | Price | + or – | Net Div. | Cvr | Y'ld pc |
|---|---|---|---|---|---|---|---|
| [illegible] | 30 | Anglo-Indon'sian | 35 | ... | — | — | — |
| [illegible] | 29 | Bertam Cns. 10p | 41 | ... | 12.9 | 0.9 | 4.5 |
| [illegible] | 52 | Bradwall 10p | 77 | +1 | 14.7 | 0.8 | 2.7 |
| [illegible] | 25 | Bukit Sem. 10p | 51 | +3 | Q12½ | ϕ | 2.5 |
| [illegible] | 78 | Castlefield 10p | 93 | ... | Q25 | 1.5 | 1.6 |
| [illegible] | 66 | Chersonese 10p | 75 | ... | 28 | 0.7 | 5.3 |
| [illegible] | 43 | Cons. Plants 10p | 59 | +1 | 15.2 | ϕ | 3.7 |
| [illegible] | 20 | Dwo Plant 10p | 26 | –2 | ϕ3 | — | — |
| [illegible] | 17 | Gadek 10p | 34½ | ... | 8¼ | 0.8 | 2.8 |
| [illegible] | 59½ | Golden Hope 10p | 67 | +½ | 25.7 | ϕ | 5.5 |
| [illegible] | 4¼ | Grand Central 10p | 5¾ | –¼ | Q25 | — | 12.4 |
| [illegible] | 342 | Guthrie Corp £1 | 387 | +2 | 12.9 | 1.3 | 4.8 |
| [illegible] | 82 | Highlands 10p | 111 | +1 | †25.7 | 0.5 | 3.3 |
| [illegible] | 21 | Kuala Kepong M$1 | 46 | +1 | Q6¾ | 1.8 | 1.4 |
| [illegible] | 28 | Kulim 10p | 35 | ... | 11.9 | 0.8 | 4.9 |
| [illegible] | 41 | Lndn. Asiatic 10p | 46 | +1 | 17.5 | 1.2 | 5.4 |
| [illegible] | 30½ | Lon. Sumatra 10p | 33½ | ... | 10.3 | 1.5 | 4.3 |
| [illegible] | 36 | Malakoff 10p | 63 | ... | Q12½ | 1.9 | 1.8 |
| [illegible] | 15 | Malaysian 10p | 25 | ... | 13½ | 0.7 | 10.0 |
| [illegible] | 36 | Muar River 10p | 59 | +1 | 11 | 1.4 | 2.7 |
| [illegible] | 37 | Pataling 10p | 43½ | +½ | 26.3 | 1.1 | 5.6 |
| [illegible] | 44 | Plant'n Hldgs. 10p | 53 | +1 | Q21 | 1.4 | 4.0 |
| [illegible] | 675 | Sungei Krian £1 | 950 | ... | Q40 | 1.1 | 4.2 |
| [illegible] | 17½ | [illegible] 10p | 31 | –1 | Q18 | 1.6 | 2.6 |

## TEAS

### India and Bangladesh

### Sri Lanka

### Africa

## MINES—CENTRAL RAND

## EASTERN RAND

## FAR WEST RAND

## O.F.S.

## FINANCE

## DIAMOND AND PLATINUM

## CENTRAL AFRICAN

## AUSTRALIANS

## TINS

## COPPER

## MISCELLANEOUS

# THE LEX COLUMN

Index rose 5.9 to 428.8

## Beecham's definition of growth

While its old sparring partner, Boots, was talking about other things, Beecham chose yesterday to remind us what a Stage Three growth stock should look like. First half sales, pre-tax profits and earnings per share are up 27, 28 and 36 per cent. respectively. Admittedly, the first half of 1972-73 was held back—to the extent that earnings increased "only" 12.6 per cent.—for a number of reasons: new plants in Scotland and Singapore, big changes in the French sales set-up, destocking in both pharmaceuticals and consumer lines in the Far East and the need to support Macleans Toothpaste with heavy advertising in the U.S. But when the absence of most of these brakes (Irvine only came on stream in the second half of this year) means a growth rate way over the internal target of 15 per cent. plus—and their presence a rate only slightly under—Beecham's loss of market status in recent years becomes even less easy to understand.

However, a 9p rise to 296p yesterday took Beecham nearer the top of its 1973 trading range, and prospects could take it further. The acceleration had already begun in the second half of 1972-73, but the analysts are going happily for an annual growth rate of 25 per cent. pre-tax, indicating earnings of over 20p a share and a prospective p/e of under 15.

### Champion-A.W.

There are two possible reactions to the agreed offer for A.W. (Securities)—128p cash—from Champion International Corporation. An exit p/e of 12 on the forecast is only just in line with the nominal value of Nottingham's offer for Lancaster Carpets this Spring—yet A.W.'s pre-tax profits per share this year will be roughly 8 times the 1969-70 level, and there is clear strategic value in its leadership of the printed tufted market. On the other hand, A.W.'s forecast of £6.9m. against £5m. is no real surprise—yet the offer represents a premium of over two-fifths on the pre-bid price. Although the group may now seem to be up for sale, this offer ties in squarely with the management's international ambitions. So the shares closed at 120p.

### Boots

In the context of the bid situation, Boots's interim figures serve as a reminder of management quality. Excluding indirect tax, sales for the six months to September are up 22 per cent. which is virtually all volume and represents a steady trend over both quarters. Profits on a comparable basis are 26 per cent. higher at £27.8m.: higher price increases "would have been permissible," and the message is that crude guesses at 1973-74's reference level on the basis of group margins in the past two years are wrong. Overseas sales are accelerating, and there is room for manoeuvre within the manufacturing divisions.

In turn, that means projections of a profits decline in the current half are also incorrect. Clearly most of this year's profits growth has already been seen, but a prospective p/e of around 15 at 258p is a reasonable target for the group as it stands. For the moment, however, it may simply be worth rejecting the notion that if only House of Fraser would go away, all the problems would be solved.

### Smiths Industries

Supplying the motor industry is not all slings and arrows, judging by the 80 per cent. jump in Smiths Industries' profits from that category in 1972-73. A cost reduction scheme maximised the effects of a peaceful first half, and mitigated the trouble in the second six months when labour disruption rose to new heights. Overall, pre-tax profits are up 43 per cent. (ex acquisitions) to the expected £10¼m. with aerospace, distribution and overseas subsidiaries among the other bright spots. But neither this performance — the third of three good years — nor Smiths' fat order books for 1973-74 are reflected in a share price of 174½p, or a net p/e of under 11.

### Shell

It was the signs of conciliation in the Middle East rather than the sparkling third quarter figures which left Shell 10p higher at 256p yesterday. With net income of £166.8m. against £142.3m. in the second quarter and the badly depressed £45.1m. in July-September 1972, Shell is running well up with outside targets; bearing in mind that higher crude costs will not impinge until well into December, and volume losses in countries like Holland and the U.S. should not be very serious this quarter, a net of £550m. for the year and earnings of 40p a share are well within sight. But a p/e of 6.4 is trying to grapple with the huge unknowns of 1974, which leave Shell in the political melting-pot.

The first effect of any shortage is to push up margins; even in the third quarter crude output was up merely 1.7 per cent. against 6.8 per cent. for product sales, and net margins per unit of product sales have averaged almost twice the 1972 level so far this year. Prices have been good through most of Europe, most recently in France. But the testing time may start in the first quarter next year, when if the present Arab cutback timetable is maintained widespread rationing will be holding back demand and Shell will be encountering a refinery and shipping overcapacity problem.

### Decca

With two years of losses on home trading in the last five, it was crucial for Decca that for Stage Three purposes the consultative document's threat to count loss years as no profit rather than no trading years should not go through to the statutory instrument. It did not, so under Clause 65 its reference level is the 1972-73 single outturn rather than the best two-year average; and that could mean perhaps £1.5m. pre-tax extra, always assuming Decca can actually produce the margins.

# Lombard

## Unifying Europe—the lesson of 1973

BY C. GORDON TETHER

THE EEC joint statement on the Middle East crisis has been hailed as proving that "Community solidarity" has at last become a meaningful concept. In reality, as the Daily Telegraph put it, nine times nothing equals nothing and the line-up is just "a hastily cobbled up attempt to conceal the EEC's previous total lack of consultation on the war." Indeed, the truth is that this non-event, taken in conjunction with the fact that almost all the other attempts to promote European unification on Treaty of Rome lines are still making very heavy weather, raises a highly important question.

It is whether the cause of European togetherness would not be better served by adopting an altogether less ambitious approach—a concession to realism that would be particularly helpful from the British point of view, since it could lead to the down-grading of the aspects of harmonisation that are generating most political dissension and making the idea popularly unacceptable.

One thing most anti-Marketeers have in common with pro-Marketeers is that they are also pro-European—by which I mean that they are no less interested than the most dedicated pro-Marketeers in improving relations with our Continental neighbours. The differences between the two camps are primarily concerned with methods.

### Building Rome

The pro-Market crusaders want to force the pace—last autumn's Summit proposed an economic and monetary integration scheme that would get near to turning the Nine into a single country by 1980. The anti-Market forces, by contrast, maintain that it is more practicable and wiser to concentrate on forms of collaboration that are within comfortable reach

Rome was not built in a day. And pro-Marketeers are justified in arguing, therefore, that the fact that there is little to show in terms of the advancement of European solidarity at the end of the enlarged Community's first year does not prove that their vision is unattainable.

Yet builders of Romes do have a duty to ask themselves from time to time whether their plans need to be modified to ensure that they are continuing to serve their intended purpose. And it is surely reasonable to ask, in the light of the past year's experience, whether the cause of European togetherness would not fare better if we set more modest and realistic targets.

It is not only that some of the Community's grand objectives are looking increasingly outdated—the more one sees of Big Power confrontations, the more convinced one becomes that Europe could do more for peace by insisting that this form of world government has out-lived its usefulness than by sponsoring a "Third Force." It is also now abundantly clear that the advanced forms of economic integration the EEC is committed to are destined to encounter such resistance that attaching so much importance to them can only cause frustration and discredit the whole concept.

What is more, such fervour is apt to inhibit collaboration of the kind that would be both feasible and helpful. The currency upheavals of the past year have shown that it would be madness to try to tie up EEC countries in a monetary union that made their exchange rate relationships permanently unalterable. But there is everything to be said for collaboration in facing up to the dollar problem

### De Gaulle

There is also the important point that lowering the sights would help to combat the present tendency for European integration to generate hostility at the grass roots. British involvement in the CAP, as everyone knows, has not exactly improved Anglo-French relations at this level.

When he argued in 1967 that bringing Britain and other Western European countries into the Community would turn it into an "entirely different organisation," the late General de Gaulle went on to suggest that it might be more advantageous to collaborate with them through the "association method" of strengthening economic relations.

What has happened during the past year indicates that he was almost certainly right as far as Britain is concerned. But it also suggests that the promotion of true togetherness between the other members could also benefit from the adoption of a new and less ambitious blueprint—seeing that it is proving extremely difficult to get their governments and their peoples to go along with present "European vision" orthodoxy.

# Terrorist trials plan put to Whitelaw by Fitzgerald

BY RHYS DAVID

PROPOSALS to set up a common law enforcement area for the trial of terrorist-type offences in Ireland were put to Mr. William Whitelaw, the Northern Ireland Secretary, by Dr. Garrett Fitzgerald, the Irish Minister of Foreign Affairs, at a meeting in London yesterday.

The scheme, the details of which have not yet been fully worked out, would make it possible to try those charged with terrorist offences where they were arrested, thus avoiding the controversial process of extradition.

The Irish view is that trial on murder and conspiracy charges in the country of arrest is already enshrined in international law. Though an extended scheme to cover terrorist offences in general might involve some harmonisation of laws between Britain and Ireland, it is pointed out that the basic legal system is similar in both countries.

Dr. Fitzgerald is understood to have been told that the British Government has an open mind on the proposal and is willing to consider a variety of suggestions in this field. A similar document outlining British views is currently being prepared.

### Tripartite talks

Yesterday's meeting was at the request of Dr. Fitzgerald and is seen by the Irish as important in clarifying the areas of discussion for the tripartite talks to be held on the formation of a Council of Ireland if negotiations to set up an executive in Northern Ireland are successful.

The Irish Government is concerned that the talks should begin as soon as agreement on the shape of an executive has been achieved, and this view was put to Mr. Whitelaw. They are anxious the outlines of an agenda for the tripartite talks should be clear so discussions can make rapid progress once they begin.

The Irish side do not believe tht Dublin's recognition of the North is a serious enough issue to delay the start of tripartite talks. Their reply to demands for a renunciation of the Irish claim to the whole of Ireland as the national territory is likely to be that this itself could form part of any discussions between London, Dublin and Belfast representatives.

● Mr. James Prior, Leader of the Commons, told MPs yesterday he hoped to announce a debate on the Northern Ireland situation in his Parliamentary business statement next Thursday. If he does, the debate will probably take place the following week.

# Copper and zinc at new London peak

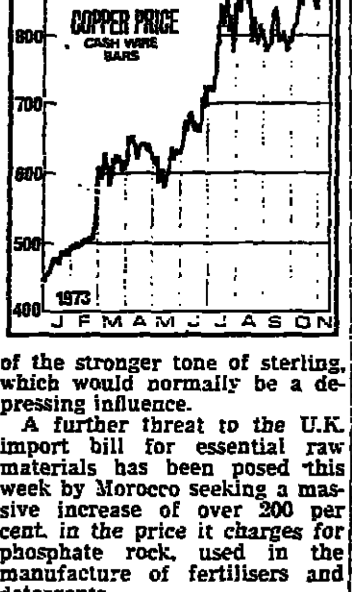
By John Edwards

COPPER and zinc prices rose to the highest levels ever on the London Metal Exchange yesterday.

The upsurge in values during the past three days — with cash copper climbing by over £40 to £900 a ton and cash zinc soaring by £80 to £600 a ton—is the result of world shortages of both metals being intensified this week by U.S. production setbacks.

There is no sign of the supply "squeeze" easing, although speculative buying has helped push prices up and profit-taking could bring a downturn.

The increase in London metal prices has been achieved in spite



of the stronger tone of sterling, which would normally be a depressing influence.

A further threat to the U.K. import bill for essential raw materials has been posed this week by Morocco seeking a massive increase of over 200 per cent. in the price it charges for phosphate rock, used in the manufacture of fertilisers and detergents.

This could add something like £20m. to the U.K. cost of phosphate imports, which totalled over £8.5m. in the first nine months of this year.

Morocco is the world's biggest exporter of phosphate rock.

Recent falls in the prices of grains—wheat and maize—cocoa, cotton, and wooltops have helped bring the Financial Times Commodity Index down to 179.84 compared with a peak of 199.43 reached in August.

But the index since falling to 175.22 at the end of October has shown signs of rising again. This is mainly because of the increase in metal prices, although other commodity values like rubber and cocoa are showing signs of rallying, too.

Commodities Page 29

# Denmark calls general election

BY HILARY BARNES

COPENHAGEN, Nov. 8.

MR. ANKER Joergensen, Prime Minister, to-day asked Queen Margrethe to dissolve the Danish Folketing (Parliament) and call a General Election on December 4. This unexpected move came after the Government had failed to obtain a majority on a Bill to change the 1974 income tax scales.

The vote was tied at 86 for and against. Seven members were absent.

The tie arose after Mr. Erhard Jacobsen had announced earlier this week that he was quitting the Social Democratic Party and forming the Centre Democratic Party.

### 'Misunderstanding'

Mr. Jacobsen promised he would continue to support the Government, but failed to turn up for to-day's vote.

"It was a misunderstanding. I did not mean to bring down the Government," he said.

He explained that he was so busy that he lost track of time, and to make matters worse his car ran out of petrol on the way to the Folketing.

There is a suspicion that the Prime Minister may have been glad of the opportunity to hold an election before Mr. Jacobsen has had the time to organise his new party.

Mr. Joergensen told the Folketing that the situation which had arisen to-day could be repeated in future and paralyse the work of Government.

An election was the only solution. His Government would remain in office until this had been held.

He also said that the election would not interfere with the EEC summit meeting to be held in Copenhagen on December 14 and 15. Arrangements for this would go ahead as planned.

Denmark holds the EEC chairmanship and is therefore host to the meeting.

If the present Government resigns following the election it will nevertheless remain as caretaker until a new administration can be formed.

If this happens quickly Denmark will of course be represented at the summit by the new Prime Minister and not by Mr. Joergensen.

But whoever the country's new leader may be, it is unlikely that his Government's EEC policies would be any different from those of the present one.

In the present Folketing, the Government, a Social Democratic minority administration, has had a working majority of one, with 89 supporters, including 17 members of the Left-wing Socialist People's Party. Against it were the 88 members of the Conservative, Liberal and Radical opposition parties.

The decision to hold an election, which comes almost two years before the end of the electoral period, was welcomed by opposition leaders and greeted with applause on the floor of the Copenhagen Stock Exchange.

"An election is needed to clear the air," said Mr. Poul Hartling, Liberal Leader.

Taxation, public expenditure and the need for stable Government are the issues which are likely to dominate the General Election, Denmark's fourth in eight years.

A prominent part will be played by the new Poujadiste Progress Party under the leadership of Mr. Mogens Glistrup, a Copenhagen lawyer.

### In the balance

Recent polls have indicated that this party, formed only last spring, could take 25 to 30 of the 179 seats, which would leave it holding the balance between the Socialists and the traditional non-Socialist parties.

The Social Democrats, according to the polls, are heading for a severe setback, possibly losing up to 12 of their 70 seats.

The unusual political situation created by the intervention of Mr. Glistrup makes it difficult to foresee what kind of Government will come into office, but the three traditional opposition parties hope they can form a coalition as they did from 1968-71.

Democracy in disarray, Page 6

# Shareholders to vote on Maxwell re-election to Pergamon Board

BY NICHOLAS OWEN

DIRECTORS of Pergamon Press are hoping to persuade the U.S. Leasco group and Mr. Robert Maxwell, the former chairman, not to use their votes at the forthcoming shareholders' meeting called to decide whether Mr. Maxwell should be re-elected to the Board.

Sir Walter Coutts, Pergamon's chairman, said last night he believed that the "uncommitted" shareholders in Pergamon, which has had its shares suspended for four years, should have their say, and he claimed Mr. Maxwell was agreeable to this.

Leasco, with 38 per cent. of Pergamon against Mr. Maxwell's 27 per cent., has remained "unalterably opposed" to Mr. Maxwell's re-appointment.

Largely because of the threat by editors of Pergamon's journals that they would withdraw co-operation unless the ex-chairman rejoined the Board, the directors are supporting Mr. Maxwell's appointment at a meeting on November 20.

In a letter to-day to Pergamon's 3,000 small shareholders, Sir Walter says Pergamon needs Mr. Maxwell's "entrepreneurial flair for recognising publishing opportunities." As an example of this, Sir Walter disclosed last night that Mr. Maxwell, in a consultative capacity, was at present negotiating "proper remuneration" for reproduction rights in Russia and was re-organising the company's agency in Japan.

Sir Walter said he would "see to it" that, if re-elected, Mr. Maxwell would not be involved in top-level financial decisions. A major stumbling block to Mr. Maxwell's re-election and the restoration of share dealings is the existence of a third, final, but as yet unpublished report on the company and Mr. Maxwell by Department of Trade and Industry inspectors.

Earlier reports have severely criticised Mr. Maxwell, but Sir Walter, who has been able to study the latest one, indicated that its findings did not appear to rule out Mr. Maxwell's return.

Sir Walter stated that the scientific journals were responsible for £3.5m. of gross income, so if the 40 or so editors who have threatened withdrawal did so, the company would lose £1.3m. in income.

Pergamon made a pre-tax profit of £309,000 in 1971-72. Sir Walter said that costs had risen more than anticipated, but a trading profit was still expected for the year to last September 30. In the letter, he says better forecasts for the future can only be achieved "if we can divest ourselves of what I habitually describe as 'jungle politics.'"

# MPs want EEC energy policy

BY RICHARD EVANS, LOBBY CORRESPONDENT

AN IMMEDIATE drive towards a common European energy policy will be advocated by MPs at next week's meeting of the European Parliament in Strasbourg.

The demand, which will centre on a report to be presented by Mr. Tom Normanton, Conservative MP for Cheadle and rapporteur of the Parliament's energy committee, has added relevance in view of the European oil crisis in general and the situation of the Dutch in particular.

MPs are expected to be highly critical of the European Commission and the Council of Ministers for the lack of progress towards a co-ordinated energy policy, which, it is argued, has left the Community highly dependent on sources of energy over which it has no control.

The situation of the Dutch, following the decision of Arab oil producers to ban supplies, will not be mentioned directly in the report presented by Mr. Normanton, but it will be made clear that the committee was totally in favour of European solidarity in the face of external pressures.

### Interdependent

In particular, the growing interdependence of Community states in the fields of industrial, commercial, strategic, monetary and foreign policy will be emphasised, leaving the inference to be drawn that Holland must not be allowed to stand alone.

In other words, the present crisis will be used by the MPs on the committee to highlight the need to co-ordinate policies over the whole field of energy.

Mr. Normanton said at Westminster last night that the Community faced two specific dangers because of its lack of a concerted policy—supplies could be cut off at the whim of States that controlled the oil, and there were increasing problems created by the massive growth of monetary reserves built up by the oil States. This was a growing cause of monetary instability, as well as presenting the Arabs with a powerful political weapon.

Apart from the energy debate next Tuesday, the highlights of next week's session will be an address by the West German Chancellor, Herr Willy Brandt, also on Tuesday, and another debate on regional policy on Thursday.

# Chunnel finance Bill passed by Commons

BY JOHN HUNT

THE GOVERNMENT is to provide a £120m. loan to British Rail to cover the cost of the rail link between the Channel Tunnel and London, Mr. John Peyton, Minister for Transport Industries, told the Commons last night.

The money will come from the National Loans Fund and will not have to be financed out of ordinary railway investment he said. Although the Minister did not give further details, loans of this kind are usually interest free.

Mr. Fred Mulley, Opposition transport spokesman, said he was disappointed the Government was not going to make a straightforward grant to BR for the rail link. He asked the Minister to look at the matter again.

The Channel Tunnel (Initial Finance) Bill, providing money for thet second stage of the work up to 1975, was passed by 176 votes to 125 — a Government majority of 51.

During the debate, however, the project came under strong and almost unanimous criticism from Conservative MPs who feared the environmental effect on Kent.

# Plea for British reactor plant

BY JOHN BOURNE, LOBBY EDITOR

SUSPECTING that the Central Electricity Generating Board is urging the Government to buy American nuclear reactors, leading members of the last session's Commons Select Committee on Science and Technology have decided to organise a deputation to question Mr. Peter Walker, the Secretary for Trade and Industry, about the Government's intentions.

The delegation—about six strong—will be led by Mr. Arthur Palmer, Labour MP for Bristol Central and the chairman of the group which produced the Select Committee's report on nuclear reactors in July. Also on it will be Mr. Airey Neave, Conservative MP for Abingdon and chairman of last session's Select Committee.

Mr. James Prior, the Leader of the House, firmly told members of the committee in the Commons yesterday that no Government decision had yet been taken on the purchase of reactors, although MPs believe that a decision cannot long be delayed.

Mr. Palmer is expected to tell Mr. Walker that to "buy American" would be a severe blow to British technology and a complete waste of all the work on nuclear reactors done by the Atomic Energy Authority.

Members of the former Select Committee believe the CEGB—under pressure to expand its capacity while coal is short and oil supplies are uncertain—has advised the Government that the only way to provide new nuclear-powered generators fast is to buy the U.S. reactor, because it has proved its efficiency.

In the Commons yesterday Mr. Evelyn King (Con, South Dorset) told Mr. Prior that a nuclear reactor at Winfrith, Dorset, was developing a heavy water generator which was more efficient and cheaper than anything the Americans had produced.

Continued from Page 1

# Kissinger's peace plan

portant victory in the Yom Kippur war, while Israel's substantial bridgehead on the western side of the Canal would alow it to argue in a similar vein.

With Egyptian honour satisfied, the Israelis hope that it will at last be possible to obtain Arab recognition of the State of Israel "within secure frontiers," as the UN resolution 242 has it. What these boundaries will be, will, no doubt, be the subject of extremely tough negotiations over the coming months, and it is certainly not excluded here that the negotiations might break down at some stage and that fighting will be resumed.

For the moment, however, the Israeli Government is primarily concerned with laying the groundwork for a permanent settlement and this neccesitates an effective cease-fire which will not break down at the first shot.

The present Government can do no more than start off the process leading to a peace settlement, for it faces a general election at the end of December at which its policies will be put to the test.

The Government has already been strongly criticised by the right-wing Opposition and some sections of public opinion for the country's lack of military preparedness at the time of the Arab countries' attack on October 6, as well as its acceptance of the cease-fire under American pressure at a time when Israel was considered to be in a strong military position.

# Weather

U.K. TO-DAY

A SOUTH-WESTERLY airstream will persist over most [illegible] Southern England will be cloudy but mainly dry. Northern [illegible] will be cloudy, perhaps with [illegible] later. North Scotland will have bright intervals and showers. Temperatures in England [illegible] Wales will be rather warm.

London, S.E., South, S.W. England, E. Anglia, the Midlands, Channel Is., S. Wales

Rather cloudy, mainly [illegible] Wind S.W., fresh. Rather [illegible] Max. temp. 14C (57F).

E., Central, N.W., N.E. England, N. Wales, Isle of Man

Cloudy, perhaps rain [illegible] Wind S.W., strong. Rather [illegible] Max. temp. 12C (54F).

Scottish borders, E. and S.W. Scotland, Argyll, N. Ireland

Cloudy, rain at times. Hill [illegible] patches. Wind S.W., strong [illegible] gale. Normal temps. Max [illegible] (50F).

Aberdeen, central Highlands, Moray Firth, N.W. Scotland

Cloudy, rain at first, bright later. Wind S.W., strong to [illegible] Max. temp. 9C (48F).

Caithness, Orkney, Shetland

Bright intervals, some showers. Wind S.W., strong to gale. [illegible] temp. 8C (46F).

Outlook: Rain at first, [illegible] periods and showers later. [illegible] coming colder.

Lighting-up: London [illegible] Manchester 16.53, Glasgow [illegible] Belfast 17.04.

BUSINESS CENTRES

| | | Y'day Mid-day °C | °F | | | | |
|---|---|---|---|---|---|---|---|
| Alexandria | S | 22 | 72 | Madrid | S | [illegible] | [illegible] |
| Amstrdm. | C | 13 | 55 | Manchstr. | F | [illegible] | [illegible] |
| Athens | C | 21 | 70 | Melbourne | S | [illegible] | [illegible] |
| Bahrain | S | 25 | 77 | Mexico C. | S | [illegible] | [illegible] |
| Beirut | S | 20 | 68 | Milan | C | [illegible] | [illegible] |
| Belfast | C | 14 | 57 | Montreal | C | [illegible] | [illegible] |
| Belgrade | C | 6 | 43 | Moscow | Sn | [illegible] | [illegible] |
| Berlin | C | 10 | 50 | Munich | R | [illegible] | [illegible] |
| Birmghm. | F | 14 | 57 | Newcastle | C | [illegible] | [illegible] |
| Bristol | R | 13 | 55 | New York | S | [illegible] | [illegible] |
| Brussels | C | 12 | 54 | Oslo | C | [illegible] | [illegible] |
| Budapest | C | 7 | 45 | Paris | C | [illegible] | [illegible] |
| B. Aires | C | 19 | 67 | Perth | S | [illegible] | [illegible] |
| Cairo | S | 22 | 71 | Prague | C | [illegible] | [illegible] |
| Cardiff | C | 12 | 54 | Reykjavik | R | [illegible] | [illegible] |
| Cologne | C | 10 | 50 | Rio de J'o | S | [illegible] | [illegible] |
| Copnhagn. | F | 9 | 48 | Rome | C | [illegible] | [illegible] |
| Dublin | C | 13 | 55 | Singapore | R | [illegible] | [illegible] |
| Edinburgh | R | 13 | 55 | Stockholm | C | [illegible] | [illegible] |
| Frankfurt | R | 6 | 43 | Strasbourg | R | [illegible] | [illegible] |
| Geneva | F | 6 | 43 | Sydney | S | [illegible] | [illegible] |
| Glasgow | F | 13 | 55 | Tehran | S | [illegible] | [illegible] |
| Helsinki | C | 2 | 36 | Tokyo | S | [illegible] | [illegible] |
| H. Kong | S | 24 | 75 | Toronto | C | [illegible] | [illegible] |
| Jo'burg | C | 22 | 71 | Vienna | C | [illegible] | [illegible] |
| Lisbon | S | 15 | 59 | Warsaw | R | [illegible] | [illegible] |
| London | C | 14 | 57 | Zurich | C | [illegible] | [illegible] |
| Luxembg. | R | 6 | 43 | | | | |

HOLIDAY RESORTS

| | | Y'day Mid-day °C | °F | | | | |
|---|---|---|---|---|---|---|---|
| Algiers | S | 17 | 63 | Las Plms. | S | [illegible] | [illegible] |
| Barcelona | S | 14 | 57 | Locarno | F | [illegible] | [illegible] |
| Blackpool | C | 13 | 55 | Luxor | S | [illegible] | [illegible] |
| Bordeaux | C | 9 | 48 | Majorca | S | [illegible] | [illegible] |
| Boulogne | C | 13 | 55 | Malaga | F | [illegible] | [illegible] |
| Casablnca | C | 19 | 66 | Malta | C | [illegible] | [illegible] |
| Cape Tn. | S | 25 | 77 | Nairobi | C | [illegible] | [illegible] |
| Corfu | C | 18 | 64 | Naples | C | [illegible] | [illegible] |
| Dubrovnik | C | 11 | 52 | Nicosia | S | [illegible] | [illegible] |
| Faro | S | 19 | 66 | Oporto | S | [illegible] | [illegible] |
| Florence | S | 13 | 55 | Rhodes | S | [illegible] | [illegible] |
| Funchal | C | 19 | 66 | Salzburg | C | [illegible] | [illegible] |
| Gibraltar | C | 17 | 63 | Tangier | C | [illegible] | [illegible] |
| Innsbruck | C | 4 | 39 | Tenerife | R | [illegible] | [illegible] |
| Inverness | F | 15 | 59 | Tunis | C | [illegible] | [illegible] |
| Istanbul | R | 9 | 48 | Valencia | S | [illegible] | [illegible] |
| Jersey | C | 13 | 55 | Venice | S | [illegible] | [illegible] |

S—Sunny. F—Fair. C—Cloudy. R—[illegible] Sn—Snow.

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